

★● As Facebook Users Shift to Stories, Advertisers Look to Follow

https://www.wsj.com/articles/as-facebook-users-shift-to-stories-advertisers-look-to-follow-1541093290?st=ym5gy7tfzui6wwv&reflink=desktopwebshare_permalink

Nov. 1, 2018 at 1:28 pm ET

- Ad spend on Stories is growing but marketers are still playing catch-up Facebook Chief Executive Mark Zuckerberg said he is confident the social network can ride the transition to Stories from news feed.
- More than 1 billion Stories—montages of photos or videos that disappear after 24 hours—are shared daily across Facebook, Instagram and WhatsApp, Facebook said on its third-quarter earnings call Tuesday. “All of the trends that we’ve seen suggest that in the not-too-distant future, people will be sharing more into Stories than they will into Feeds,” Mr. Zuckerberg said on the call.
- The more time users spend in interacting with Stories, the more opportunity there is for Facebook to serve ads. Yet advertiser demand for new formats can lag user engagement as they attempt to figure out how to drive the best results from them, which can initially lead to lower prices in the auction-based ad environment.
- The cost of 1,000 user impressions on Facebook Stories, which only rolled out globally to all advertisers in September, is around \$4, compared with \$5 on the news feed, according to marketing technology company 4C Insights.
- The experience of Instagram, where Stories arrived earlier, suggests that the price of Facebook Stories advertising will eventually catch up to feed ads.
- To help close the gap between consumers and advertisers, Facebook is offering clients so-called Stories School education sessions to marketers and their agencies.
- Facebook’s Ad Manager tool may also benefit Stories ads in the long run. It lets marketers easily buy inventory across its products, including the main app, Instagram and its Audience Network, which runs ads across outside apps and websites. Buyers can tick boxes to send their creative work across Facebook’s entire portfolio, without having to buy each separately.
- As the Stories ad format continues to gain popularity on Instagram, the Ad Manager tool may encourage more buyers to purchase Stories ads on Facebook’s other platforms.
- For some clients, Stories ads are driving more engagement, such as swiping up to learn more about a product, than ads in the feed, according to Courtney Blount, group director at MDC Partners media planning and buying agency the Media Kitchen. But the feed still offers the chance to reach more people.

★● Political Reality: Buy Ads on Facebook or Risk Losing the Election

https://www.wsj.com/articles/political-reality-buy-ads-on-facebook-or-risk-losing-the-election-1541171620?st=kx33e7hwc5cgo4y&reflink=desktopwebshare_permalink

Updated Nov. 2, 2018 at 1:52 pm ET

- Campaigns for both have subsequently sunk money into Facebook advertising, according to [a tool Facebook recently released](#) that allows anyone to look up ads for political campaigns and “issues of national importance.”
- That few politicians feel they can escape the necessity of advertising on Facebook is precisely why we need to contemplate its ever-growing scale, revenue and power.
- In the week before the U.S. midterm elections, about two-thirds of those same representatives are spending campaign dollars advertising on Facebook.
- The ramp-up in political spending across Facebook’s social networks, which also include Instagram, is breathtaking: In 2014, digital ad spending was 1% of all political ad spending. Now it’s 22%, or about \$1.9 billion, according to the [nonpartisan Center for Responsive Politics](#).
- Facebook says that politicians have spent nearly \$300 million in the U.S. on Facebook ads since May.

- Giving Facebook money to target voters has become a collective-action problem, much like campaign-finance sore spots: Politicians on both sides of the aisle may wish to reduce the influence of Facebook in U.S. elections, but few are incentivized to act on that wish.
- Whether you're an advertiser or a politician, Facebook's ability to match a list of names to identities on Facebook is one of its most useful abilities as an ad targeting platform.
- Facebook is also very useful for testing political messages. Campaigns can try out a message the way [marketers float new brands on Instagram](#), getting near-instant feedback on what works and what doesn't. Those messages can subsequently be pushed out to other mediums, says Mr. Massicotte.
- Among the House members who questioned Mr. Zuckerberg, four aren't currently running for office, and one doesn't have a campaign website. Among the remaining 50, 44 have at least one form of tracker on their campaign websites—and 29 have the Facebook Pixel tracker, according to Chandler Givens, chief executive of data privacy firm [TrackOff](#), which analyzed the sites for The Wall Street Journal.
- Michael Burgess, Kathy Castor and Bobby Rush are all running for re-election this year but, according to Facebook's ad database, have not bought ads on the platform.
- Politicians who aren't on Facebook are ceding voters' attention to their opponents, says P.W. Singer, co-author of the book "LikeWar," which argues that Facebook has become another front in a global cyber conflict. "
- As advertisers, be they politicians or merchants, become more sophisticated about using Facebook to micro-target shoppers and voters, Facebook will continue to profit.

Facebook Portal Non-Review: Why I Didn't Put Facebook's Camera in My Home

https://www.wsj.com/articles/facebook-portal-non-review-why-i-didnt-put-facebooks-camera-in-my-home-1541685600?st=hwkgI94p4iaugq9&reflink=desktopwebshare_permalink

Nov. 8, 2018 at 9:00 am ET

- The Facebook Portal, left, and Portal+, right, are primarily for having video calls with Facebook Messenger contacts.
- Equipped with wide-angle follow-you-around cameras, microphones and screens, the \$200 Portal and \$350 Portal+ are all about saying good night to Pop-Pop and Grammy at bedtime, or calling Uncle George for the secret pasta-sauce recipe when you're cooking in the kitchen.
- The Facebook Portal and Portal+ come with camera covers for those times when you want to be extra sure no one is watching.
- The Portal+, with its 15.6-inch giant rotatable screen, is one of the most immersive video-chatting experiences I've ever had.
- You can delete Portal's voice history in your Facebook Activity Log.
- However, because this is using Facebook Messenger, the data that is typically collected from a call is still collected. That includes your call history, how long you spent talking to certain contacts, etc. Also, the sheer use of the device indicates to Facebook you're interested in video calling, so you may be targeted for that.
- Speaking of ads, Facebook said there are no ads on the Portal's screen, and the company doesn't have plans to show ads there.
- The \$200 Portal, the smaller of the two devices, has a 10.1-inch display.
- Despite Mr. Bosworth's earnest assurances, I still couldn't bring myself to set up the Portal in my kitchen and call my mother-in-law with my son in my lap. Luckily for all of us, Facebook didn't invent video calling.

Facebook to End Forced Arbitration for Sexual-Harassment Claims

https://www.wsj.com/articles/facebook-to-end-forced-arbitration-for-sexual-harassment-claims-1541799129?st=2cac1ktbwt3yfa3&reflink=desktopwebshare_permalink

Updated Nov. 9, 2018 at 4:35 pm ET

- Facebook Inc. is ending its policy of requiring employee sexual-harassment claims to be settled in private arbitration, a day after Google rolled back a similar policy under rising pressure from employees.
- The rule change, which will let Facebook employees pursue those claims in court, was announced in an internal post to staff on Friday, a spokesman for the company said.
- Google updated its policy one week after thousands of its employees staged a walkout at offices around the world to protest the company's handling of sexual-harassment claims against senior executives.
- There's no question that we're at a pivotal moment," Ms. Goler said in an interview. "
- Facebook and Google followed Microsoft Corp. and Uber Technologies Inc. to scrap mandated arbitration, a widespread but controversial practice that prevents U.S. workers from suing their employers in open court.
- Facebook allows employees to date co-workers—but if the relationship involves someone in their direct line of reporting, they must disclose it to human resources.

Facebook Morale Takes a Tumble Along With Stock Price

https://www.wsj.com/articles/facebook-morale-takes-a-tumble-along-with-stock-price-1542200400?st=msr8rjkrvl8hwsu&reflink=desktopwebshare_permalink

Nov. 14, 2018 at 8:00 am ET

- Amid a plunge in the stock price, ongoing leadership turmoil and critical media coverage, just over half of employees said they were optimistic about Facebook's future, down 32 percentage points from the year earlier, according to the survey, which was taken by nearly 29,000 employees.
- Fifty-three percent said Facebook was making the world better, down 19 percentage points from a year ago.
- Employees on average said they intended to stay another 3.9 years at Facebook, down from 4.3 years a year earlier.
- Seventy percent of employees said they were proud to work at Facebook, down from 87% a year earlier, the survey shows.
- About 81% of employees said it was important to fulfill Facebook's mission to "give people the power to build community and bring the world closer together"—roughly flat compared with a year ago.
- A year ago, 84% of Facebook employees said they were optimistic about the company's future.

● Facebook Says Criticism of Its Russia Response Is 'Unfair'

https://www.wsj.com/articles/facebook-says-criticism-of-its-russia-response-is-unfair-1542314466?st=d9kgkhnb49l6tj&reflink=desktopwebshare_permalink

Nov. 15, 2018 at 3:41 pm ET

- Facebook CEO Mark Zuckerberg, shown at a hearing on Capitol Hill in April, on Thursday pushed back at the suggestion that Facebook ignored or overlooked warning signs of Russian activity on the platform.
- On a call with reporters on Thursday, Mr. Zuckerberg repeated his admission that Facebook had been slow to spot Russian activity and recognize its significance, but he said that any allegation the company was uninterested in the truth "is simply untrue."
- An [article in the New York Times on Wednesday](#) said top executives at Facebook overlooked warning signs and at times sought to conceal the scope of the problem from lawmakers and the public.
- Mr. Zuckerberg testified before Congress in April and took responsibility for the company's response to the problem.

- In his call with reporters, Mr. Zuckerberg said he first learned the company had a contract with a public-relations firm called Definers Public Affairs when he read it in the article. He said he fired the firm soon thereafter. The firm had helped Facebook craft opposition research against some of its critics.
- Facebook officials directly approved many of Definers' tactics, including approaching reporters and asking them to probe the link between an anti-Facebook group called Freedom from Facebook and investor George Soros, according to people familiar with the matter.
- Definers is also affiliated with a digital publisher, NTK Network, which has published positive stories about Facebook and critical ones on its tech rivals.
- Mr. Zuckerberg said that Definers was likely hired by someone on his company's communications team, but that Ms. Sandberg was also unaware of their relationship with Facebook. "
- This type of firm might be normal in Washington but it's not the type of thing that I want Facebook to be associated with, which is why we are no longer working with them," Mr. Zuckerberg said.
- When asked if he had any plans to step down as chairman of the board of directors as a way to bring more independence to the board, Mr. Zuckerberg said, "I am quite focused on introducing independence in different ways."
- Mr. Zuckerberg also said the company is planning an overhaul of how it moderates content on the platform. The company plans to set up an independent body that will hear appeals related to the company's decisions on troublesome content.
- The company's response to its fake news and platform manipulation problems will take years and billions of dollars to fix, Mr. Zuckerberg said. He likened the changes under way to Facebook's earlier pivot away from being a PC-focused website to a mobile platform. "This is not the first time that we've had to deal with big issues for the company," he said.

★● With Facebook at 'War,' Zuckerberg Adopts More Aggressive Style

https://www.wsj.com/articles/with-facebook-at-war-zuckerberg-adopts-more-aggressive-style-1542577980?st=7notwqg6geleibp&reflink=desktopwebshare_permalink

Updated Nov. 19, 2018 at 12:03 am ET

- Mark Zuckerberg, Facebook's chief executive and co-founder, told top executives the company must move faster to fix slowing growth and address security weaknesses.
- Mark Zuckerberg gathered about 50 of his top lieutenants earlier this year and told them that Facebook Inc. was at war and he planned to lead the company accordingly.
- Mr. Zuckerberg's new approach is causing unprecedented turmoil atop Facebook, driving several key executives from the company, according to people familiar with the matter. At times, it has created tensions with his longtime chief operating officer, Sheryl Sandberg.
- The 34-year-old CEO believes Facebook didn't move quickly enough at key moments this year and increasingly is pressing senior executives to "make progress faster" on resolving problems such as [slowing user growth](#) and securing the platform, said people familiar with the matter. Mr. Zuckerberg also at times has expressed frustration at how the company managed the waves of criticism it faced this year.
- Mr. Zuckerberg, who previously set annual goals such as to learn Mandarin and read 25 books, said this year he would focus on fixing Facebook. He believes this tougher management style is necessary to tackle challenges being raised both internally and externally, according to a person familiar with his thinking.
- Mr. Zuckerberg's new posture could trouble those who feel his "move fast, break things" mantra from Facebook's early days contributed to many of the company's current problems. It also has led to confrontations with some of his top reports, including Ms. Sandberg, who has long had considerable autonomy over the Facebook teams that control communications and policy.
- This spring, Mr. Zuckerberg told Ms. Sandberg, 49, that he blamed her and her teams for the public fallout over Cambridge Analytica,

- Sheryl Sandberg, Facebook's chief operating officer, told friends she wondered whether her job might be at risk from the fallout to the Cambridge Analytica scandal.
- Mr. Zuckerberg also has told Ms. Sandberg she should have been more aggressive in allocating resources to review troublesome content on the site, said one person familiar with the matter, a problem that the company still struggles to fix.
- Mr. Zuckerberg is pleased with the improvement in recent months, according to people familiar with the matter, and last week told reporters that Ms. Sandberg is a “very important partner to me, and continues to be, and will continue to be.”
- Mr. Zuckerberg clashed with the co-founders of Instagram, the fast-growing photo-sharing app, over his desire to share location data on Instagram users with the main Facebook platform, which would help better target ads, said people familiar with the matter. The founders, who strongly opposed sharing the data, [abruptly resigned in September](#), and Instagram started testing the change shortly after they left, the people said.
- The co-founders of WhatsApp [likewise left after disagreements](#) with Mr. Zuckerberg over how to generate more revenue from the messaging-service
- Mr. Zuckerberg forced out Brendan Iribe, [co-founder of Oculus VR](#), in part because of a disagreement about the future of the Oculus Rift virtual-reality headset, the people said. Facebook and Mr. Iribe said his decision to leave in October was “mutual.”
- All told, about a dozen senior or highly visible executives disclosed their resignations or left Facebook in 2018.
- Many employees are frustrated by the bad press and constant reorganizations, including of the security team, which can disrupt their work, according to current and former employees.
- In the internal Q&A Friday, Ms. Sandberg said she took full responsibility for the actions of the communications team.
- Still, Facebook's board has taken a more active role of late.
- In September 2017, Erskine Bowles, the head of the audit committee and a former Clinton White House official, told Ms. Sandberg and Mr. Zuckerberg that he felt they needed to take the issue of Russian interference on the platform much more seriously. "
- The board then requested more regular updates on the matter, at times seeking daily briefings—a much higher level of engagement than is typical for the board,
- Later, after the Cambridge Analytica disclosure, the board urged Mr. Zuckerberg to name an executive who would be in charge of corralling Facebook's response to that matter and resolving other issues before they metastasized, said a person familiar with the matter. After that, he put Ms. Sandberg in charge of that effort.
- Mr. Zuckerberg also sought advice from a mentor, former Microsoft Corp. Chairman and CEO Bill Gates. He recommended Microsoft's model, which relies on Brad Smith to oversee its corporate, external, and legal affairs. Mr. Smith wears the title “president” and reports directly to the CEO.

The Scapegoating of Facebook

<https://www.wsj.com/articles/the-scapegoating-of-facebook-1542757846?st=snuhbeeborkz7cs&reflink=desktopwebshare> [permalink](#)

Nov. 20, 2018 at 6:50 pm ET

- It was evident to this columnist Russian trolls were favoring Donald Trump as early as mid-2015, but it didn't then and doesn't now seem like a big deal.
- When it comes to the Russians, the Berkman book also shows why this column makes a habit of dumping on any simplistic analysis that assumes pro-Trump Russian messages increased the Trump vote.
- The net effect of the Kremlin's noisy activities is what matters.
- If we're being honest with ourselves, the overwhelming effect of Russian meddling was to make Russian meddling a club that U.S. elites could use on each other in pursuit of ambition.
- The U.S. electorate is described as “polarized.”
- But it's also to politics that we must turn for solutions.

● Facebook's Zuckerberg Says He Has No Plans to Step Down as Chairman

https://www.wsj.com/articles/facebooks-zuckerberg-says-he-has-no-plans-to-step-down-as-chairman-1542772751?st=qrvt12quw8n6a5jd&reflink=desktopwebshare_permalink

Updated Nov. 20, 2018 at 11:16 pm ET

- Facebook Inc. Chief Executive Mark Zuckerberg pushed back against calls for him to step down as chairman and said he hoped to continue working with his longtime chief operating officer, Sheryl Sandberg, in a TV interview on Tuesday that addressed a myriad of controversies shrouding the social-media giant.
- In an interview with CNN, during which he sometimes stammered, Mr. Zuckerberg said stepping down as chairman in the near term is "not the plan" after some big shareholders proposed to push him out of that role following a string of management missteps.
- Definers has said only a "fraction" of its work for Facebook included research into critics and that work was based on public records, not misinformation.
- But Mr. Zuckerberg reiterated that he didn't like some of the firm's tactics.
- Ms. Sandberg and Mr. Zuckerberg have both said the decision to employ the firm was made by Facebook's communications officials and Definers has been fired.
- On Tuesday, Facebook's departing policy and communications chief, Elliot Schrage, took the blame for the hiring Definers. "

Will Facebook's Grownups Please Stand Up

https://www.wsj.com/articles/will-facebooks-grownups-please-stand-up-1542844603?st=5jh5c74ndgn58gi&reflink=desktopwebshare_permalink

Nov. 21, 2018 at 6:56 pm ET

- Facebook executives have been struggling with the question of how to respond to fake news. Should the social-media giant remove misleading and vile content, opening itself to charges of censorship? Or is it better to take a *laissez faire* approach and let falsehoods spread unchecked, even if it invites criticism from politicians?
- Now chief executive officer Mark Zuckerberg and chief operating officer Sheryl Sandberg find themselves at the center of a viral fake-news story.
- The New York Times last week published a story purporting that Facebook executives whitewashed Russia's use of their platform to spread misinformation during the 2016 election, among other lapses, and then employed crude tactics to deflect public furor.
- Both Mr. Zuckerberg and Ms. Sandberg have sidestepped responsibility for Facebook's alleged transgressions. "The reality of running a company of more than 10,000 people is that you're not going to know everything that's going on," Mr. Zuckerberg said. Perhaps, but Facebook's root problem seems to be that its leaders refuse to assume responsibility or control over anything.
- According to the Times, a company expert on Russian cyberwarfare alerted former chief security officer Alex Stamos in spring 2016 that hackers were using the platform to search for people connected to the presidential campaigns. Mr. Stamos directed an internal security team to probe Russian activity on the platform, but he didn't inform Mr. Zuckerberg and Ms. Sandberg until December 2016—after the CEO called the idea that Russian ads influenced the outcome of the election "crazy." Not until September 2017 did Facebook publicly disclose their discoveries.
- Amid a political backlash, Facebook enlisted a conservative public-relations firm, Definers Public Affairs, to push back against criticisms and defuse the fury. "
- But more troubling than Facebook's charm offensive is its executives' apparent preference for being regulated by Washington rather than regulating themselves.
- Facebook's problem is that its executives take the same hands-off approach to running their company as they do to managing the platform.

- One irony is that Mr. Zuckerberg and Ms. Sandberg are now being pilloried by the same sort of liberal mob they have allowed to rule their company.

Soros Philanthropy President Calls for U.S. Lawmakers to Review Facebook

https://www.wsj.com/articles/soros-philanthropy-president-calls-for-u-s-lawmakers-to-review-facebook-1542929287?st=qkv0lz30prtun86&reflink=desktopwebshare_permalink

Nov. 22, 2018 at 6:28 pm ET

- The president of George Soros's philanthropy called for oversight of Facebook Inc. by U.S. lawmakers after the social media company confirmed it hired a controversial public relations outfit to research the billionaire financier.
- Facebook's departing policy and communications chief, Elliot Schrage, this week took responsibility for the hiring of Definers Public Affairs, a consulting firm and opposition-research firm that Facebook tasked with scrutinizing detractors. "
- In the Facebook memo, Mr. Schrage said the company asked Definers to explore the link between an anti- Facebook group called Freedom from Facebook and Mr. Soros.
- Mr. Schrage's admission of his role in hiring Definers could deflect some of the blame from Facebook Chief Executive Mark Zuckerberg and operating chief Sheryl Sandberg, who had said they found out about Definers through the Times article.
- Definers on its website Wednesday said "we are proud of our work with Facebook."
- It said the characterization of its work as a smear campaign against Mr. Soros and anti-Facebook groups is "completely false."

● Facebook's Latest Headache Is a Bikini App That Shut Down in 2015

https://www.wsj.com/articles/facebook-s-latest-headache-is-a-bikini-app-that-shut-down-in-2015-1543189776?st=qdhccpz7vt9lcqe&reflink=desktopwebshare_permalink

Nov. 25, 2018 at 6:49 pm ET

- When a small app developer sued Facebook Inc. in 2015 over how it restricts access to user data, the action got little attention, in part because the social-media giant successfully sought to have most of the court records sealed.
- Now that lawsuit is adding to Facebook's mounting headaches, with a British lawmaker saying on Sunday that he has obtained documents from the case and is considering releasing them to the public.
- Mr. Collins is due to head an international panel he has convened on Tuesday in London that will question Facebook's vice president of policy solutions, Richard Allan, on "fake news" and disinformation.
- The Six4Three lawsuit stemmed from Facebook's decision in 2014 to stop giving outside developers broad access to information about users' friends. The move was a harsh blow to developers, forcing a number of apps to shut down, while Facebook argued it helped bolster user privacy.
- Six4Three was the developer of an app called Pikinis, which allowed its users to find photos of Facebook users in bathing suits.
- As part of the litigation, Six4Three obtained a large number of internal documents showing Facebook's deliberations regarding data privacy and the future of its developer platform.
- One of the Six4Three court documents alleges that Facebook employees discussed so-called whitelist agreements with various companies after announcing it would close the platform. Facebook gave some apps preferential treatment and extended access to the developer platform, [The Wall Street Journal reported in June](#).
- It ceased operation in 2015 because of Facebook's decision to curtail access to its users' data, according to the lawsuit.

Google and Facebook Face European Vexation

https://www.wsj.com/articles/google-and-facebook-face-european-vexation-1543342779?st=evywp752srgyqy7&reflink=desktopwebshare_permalink

Updated Nov. 27, 2018 at 1:41 pm ET

- Consumer advocates from four European countries filed complaints against Alphabet Inc.'s Google, alleging the company violated the European Union's new data-privacy law with the way it tracks users' locations.
- The groups from the Netherlands, Norway, Sweden and Slovenia referred Google to their national authorities for what the groups say are breaches of the EU's General Data Protection Regulation.
- GDPR, which took effect in May, strictly delineates how companies may collect or process information about EU residents. It requires companies to give individuals information about how they use the information, and in many cases requires their consent. Penalties under GDPR can hit EUR20 million or 4% of an organization's annual revenue, whichever is greater.
- Separately in London, parliament members from an international committee representing nine countries questioned—at times angrily--Richard Allan, Facebook Inc.'s vice president of policy solutions, about how the social network shares personal data and how it has fought misinformation. The company has apologized for what it said was inappropriate sharing of users' data and a failure to move quickly enough to deter the circulation of fake news on its network.
- Facebook engineer notified the company in October 2014 that an entity with a Russian internet-protocol address, via the image-sharing app Pinterest, had been harvesting information from the social network—much earlier than Facebook has previously said it knew about such harvesting.
- A Facebook spokeswoman said after the hearing that Facebook investigated the incident at the time and determined that the connections were all legitimately from Pinterest and not from Russia.
- Mr. Allan sat in a U.K. parliamentary committee room next to an empty chair with a nameplate for Mark Zuckerberg, Facebook's chief executive, who declined to attend.
- Facebook has previously apologized for what it has called shortcomings. "

Facebook Moves Deeper Into Providing Local News to Users

https://www.wsj.com/articles/facebook-moves-deeper-into-providing-local-news-to-users-1543441196?st=xtasmrecs8e07vr&reflink=desktopwebshare_permalink

Nov. 28, 2018 at 4:39 pm ET

- Facebook Inc. said Wednesday it has expanded a local-news feature to more than 400 U.S. cities, as the social-media giant, which has struggled with everything from false news to data privacy, aims to keep users engaged on its platform.
- The company launched the feature, called Today In, earlier this year after surveys found that many users wanted to see more local news and community information on Facebook.
- Facebook this year quickly expanded a test of the feature to 25 cities, including Macon, Ga., Charleston, W.Va.,
- Publishers have had a rocky relationship with Facebook, as the platform has captured a major share of the digital advertising market.
- Facebook said tests to expand Today In are happening in cities that it deems as having a "low supply of local news and community information," according to a post on its website.
- A Facebook spokeswoman said publishers benefit from Today In because it serves as a place where users can engage with publishers more deeply than in the platform's main News Feed.

★● Facebook Considered Charging for Access to User Data

https://www.wsj.com/articles/facebook-considered-charging-for-access-to-user-data-1543454648?st=3rqj11j6hi7zgr7&reflink=desktopwebshare_permalink

Nov. 28, 2018 at 8:24 pm ET

- Internal emails show Facebook Inc. considered charging companies for continued access to user data several years ago, a step that would have marked a dramatic shift away from the social-media giant's policy of not selling that information, according to an unredacted court document viewed by The Wall Street Journal.
- The emails in the document also indicate that Facebook employees discussed pushing some advertisers to spend more in return for increased access to user information.
- Taken together, the internal emails show the company discussing how to monetize its user data in ways that are employed by some other tech firms but that Facebook has said it doesn't do.
- The emails—most from about 2012 to 2014—are far from conclusive, lacking context and in some cases truncated. But they provide a window into mostly sealed court filings—which a British lawmaker has pledged to make public next week—from a lawsuit against Facebook filed by a company called Six4Three LLC.
- The emails also illustrate how Facebook has long grappled with how to maximize the value of the vast amounts of data it collects without abusing the privacy of users.
- Facebook has been under intense scrutiny in the past year for its practices of sharing user data, particularly after the company revealed earlier this year that analytics firm Cambridge Analytica improperly obtained personal data of millions of users.
- A Facebook spokeswoman confirmed the discussions about charging for data and said the company ultimately decided against it.
- An unidentified Facebook employee mentioned shutting down data access “in one-go to all apps that don't spend... at least \$250k a year to maintain access to the data,” according to one email referenced in the document. The full content of the email wasn't included.
- In 2013, as the company negotiated a special agreement with Amazon.com Inc., a Facebook employee noted that Amazon would soon be getting less access to data.
- In one email exchange cited by the Six4Three court document, Facebook employees allegedly offered to extend the data access of Match Group Inc.'s Tinder dating app to the data that would soon be shut off in return for the use of its "Moments" trademark, which Facebook wanted to use for a future photo-sharing app.

Facebook Exempts News From Political Ad Archive

https://www.wsj.com/articles/facebook-exempts-news-from-political-ad-archive-1543500310?st=5v3njvuf8q4cl5x&reflink=desktopwebshare_permalink

Updated Nov. 29, 2018 at 9:12 am ET

- Facebook Inc. will exempt paid posts promoting news articles from its political ad archive, ending a practice that rankled publishers who chafed at seeing their journalism classified as if it were paid partisan advocacy, the company said Thursday.
- Rob Leathern, Facebook's director of product management, said in a post that the decision to classify ads promoting news articles in Facebook's political ad archive was "problematic for a number of news organizations," adding that the new policy is aimed at supporting journalism.
- Earlier this year, Facebook announced that it would begin storing and displaying political ads in a public archive, one of a series of steps aimed at increasing transparency in the wake of alleged Russian election interference on its platform.
- Paid posts promoting news articles mentioning political figures and electoral issues were lumped in with political ads, a decision that drew pushback from news organizations.

★ Facebook's Zuckerberg at Center of Emails Released by U.K. Parliament

https://www.wsj.com/articles/u-k-releases-internal-facebook-emails-deliberating-data-access-1544022496?st=rgy8u2zhavbeezy&reflink=desktopwebshare_permalink

Updated Dec. 5, 2018 at 2:09 pm ET

- The U.K. Parliament released on Wednesday a trove of internal Facebook Inc. emails that show Mark Zuckerberg and other executives pursuing hard-nosed tactics to stifle competitors, as well as considering a range of possibilities for monetizing the massive amounts of data the company collected on its users.
- The documents show that Facebook gave some third-party developers special access to user data and several years ago contemplated charging developers for data access, a step that would have marked a dramatic shift away from the social-media giant's policy of not selling that information.
- The 250 pages of documents were released Wednesday as part of parliamentary procedures in the U.K. as lawmakers there examined Facebook's use of data.
- The documents show Mr. Zuckerberg seeming to dismiss the risk of developers sharing Facebook data among themselves.
- The documents also include emails from Mr. Zuckerberg that describe his grappling with how Facebook could leverage the popularity of its platform to make more money.
- The company allowed some outside companies, like Netflix Inc., Airbnb Inc. and Lyft Inc., to gather information about Facebook members who used their services beyond what was available to the vast majority of other developers, according to the emails.
- The documents released Wednesday "not only show evidence of wrongdoing with regards to user privacy, but they demonstrate substantial anticompetitive practices in the way they leveraged user data."
- said Ashkan Soltani, a former chief technologist for the Federal Trade Commission, who has been critical of Facebook.
- The FTC has been probing whether Facebook violated a consent decree from 2012 in which the company agreed to get user consent for collecting personal data and sharing it with others.
- Six4Three sued Facebook in 2015, alleging that its data policies were anticompetitive and favored certain companies over others.
- The majority of the documents filed in the case have been placed under seal at Facebook's urging and on orders from a California judge.
- Facebook, which is based in Menlo Park, Calif., has called the lawsuit by Six4Three "baseless."
- In another message, Mr. Zuckerberg said Facebook could allow developers to access some Facebook services without charge, but pay 10 cents per user to tap information about their users' friends on Facebook.
- Facebook also appeared to be concerned about the loss of data access for apps that had links to Mr. Zuckerberg and Facebook Chief Operating Officer Sheryl Sandberg.

Facebook Emails Give Inside Look at How It Shared User Data

https://www.wsj.com/articles/facebook-emails-give-inside-look-at-how-it-shared-user-data-1544046770?st=piom47rg0c8xg5i&reflink=desktopwebshare_permalink

Dec. 5, 2018 at 4:52 pm ET

- The U.K. Parliament on Wednesday released nearly 250 pages of internal Facebook Inc. emails and excerpts from several years ago related to a previously little-known lawsuit ongoing in the U.S. The documents sometimes lack context and include only parts of email chains, but the communications together show how Facebook negotiated with thousands of outside app developers on its platform, revealing an inside look at how the social-media giant shared user data.
- Facebook has long said it doesn't sell user data, an assertion repeated in Chief Executive Mark Zuckerberg's statement about the documents Wednesday. —
- One chart included in the emails from 2014 showed the number of apps affected by data-policy changes—more than 27,000—and another showed the number of apps that were "Mark's friends" and "Sheryl's friends," 31 and 66 respectively, according to one document.
- Facebook also worried about losing relationships with some companies that were big advertisers.
- The emails illustrate the concerns some companies exhibited over being cut off from data about Facebook users' friends.

- —The documents show that Facebook was willing to work with some outside companies after they complained about losing data access.
- In March 2015, the ride-sharing company Lyft emailed Facebook executives to say that accessing a Facebook users' mutual friends would be beneficial to its own app.
- The documents show the extent of Facebook's own data-collection efforts, including its use of Android data and potential licensing agreements with other companies.
- Google has said it recently changed its policy so that only an app that has been selected by an Android user as its default will be able to access call logs and text messages.
- In February 2015, Mr. Papamiltiadis wrote to the web-hosting site GoDaddy that he wanted to speak with executives about licensing its data on the restaurant industry. "
- GoDaddy held exploratory conversations with Facebook in 2015 regarding a potential licensing agreement, said a GoDaddy spokesman.
- An agreement was never signed, and GoDaddy never shared information with Facebook other than information that is publicly available. —
- The documents show how Facebook relied on Onavo to inform its decision to buy the messaging service WhatsApp, as previously reported by the Journal last year.
- Facebook pulled the consumer-facing version of that app—Onavo Project, a virtual private network—from Apple's app store in August this year after the iPhone maker ruled that the service violated its data-collection policies, The Wall Street Journal reported. —

Facebook Board Backs Sheryl Sandberg's Handling of Research on Investor George Soros

https://www.wsj.com/articles/facebook-board-backs-sheryl-sandbergs-handling-of-research-into-investor-george-soros-1544038662?st=rmggwj2d749ztve&reflink=desktopwebshare_permalink

Updated Dec. 5, 2018 at 5:49 pm ET

- Facebook Inc.'s board of directors threw its support behind Chief Operating Officer Sheryl Sandberg on Wednesday, saying that it was "entirely appropriate" for her to ask if George Soros had shorted the company's stock after the billionaire investor called the social-media giant a "menace."
- Facebook's general counsel Colin Stretch sent a letter from the board to Patrick Gaspard, president of Mr. Soros's Open Society Foundations.
- Mr. Gaspard has been among those who have criticized or questioned Ms. Sandberg's handling of the matter.
- The letter was a show of support for Ms. Sandberg, one of the tech industry's most prominent executives, as investors, regulators, and users renew pressure on both her and the company following a series of management missteps.
- Facebook CEO Mark Zuckerberg is chairman of the board of directors.
- Also Wednesday, Stifel analysts downgraded Facebook shares to a hold, citing the company's internal and political issues. "
- Ms. Sandberg's involvement in the Soros matter has been under scrutiny since The New York Times reported last month that Facebook had hired Definers in part to push back against the company's critics.
- On Nov. 15, Ms. Sandberg said she didn't know about Definers and the work the firm was doing for the company.
- Last week, Facebook confirmed that Ms. Sandberg sent an email to her staff in January asking whether Mr. Soros has shorted the company's stock after the liberal philanthropist called internet "monopolies" a "menace" in a speech at the World Economic Forum.
- Facebook officials had already asked Definers to look into Mr. Soros when Ms. Sandberg sent her email, according to a Facebook spokesman. "
- She told you, truthfully, that she had not known about the work done by the Definers public relations firm related to Mr. Soros," Mr. Stretch wrote Wednesday, adding that Ms. Sandberg takes "full responsibility" for work done under her watch.

Facebook Expands Share Buybacks

https://www.wsj.com/articles/facebook-expands-share-buybacks-1544225152?st=r6lb73dfudhriyo&reflink=desktopwebshare_permalink

Dec. 7, 2018 at 6:25 pm ET

- The social-media giant had previously authorized repurchases of up to \$15 billion of the company's class A common stock in 2017.
- This is the second increase to its repurchase program this year.
- In April, it boosted the program by \$9 billion.
- The buyback announcement comes as Facebook's share price has declined about 37% since its peak in July amid privacy concerns, questions about the company's handling of data and an overall slide in tech stocks.

Facebook Always Meant Business

https://www.wsj.com/articles/facebook-always-meant-business-1544281201?st=nl0r2qes8jcs4sr&reflink=desktopwebshare_permalink

Dec. 8, 2018 at 10:00 am ET

- Among the more notable revelations from the British government's dump of internal Facebook emails on Wednesday was this: In the fall of 2012, Facebook Chief Executive Officer Mark Zuckerberg was keenly interested in making money.
- At the time, Mr. Zuckerberg was leading a newly public company already fetching a market value of around \$50 billion—already more than many of the media and technology businesses he was in the process of displacing.
- And yet, it contrast a bit with the image Mr. Zuckerberg himself had laid out just months earlier in the company's prospectus. Facebook, Mr. Zuckerberg wrote in the opening line of his letter to shareholders, "was not originally created to be a company." He instead framed the business as a "social mission," adding his belief that "more and more people want to use services from companies that believe in something beyond simply maximizing profits."
- The emails released by the U.K. Parliament as part of its ongoing probe into the social network involved internal company deliberations over what kind of data could be provided to outside developers—and at what cost.
- An internal survey reported last month by The Wall Street Journal showed that barely half of Facebook's employees think the company is making the world a better place, compared with about 72% who felt that way a year ago.
- Such internal dissension is a major problem for a tech company that relies primarily on human talent.

★● Facebook Censors at Random

https://www.wsj.com/articles/facebook-censors-at-random-1544395970?st=otie49lu6ln4yl7&reflink=desktopwebshare_permalink

Dec. 9, 2018 at 5:52 pm ET

- That's because Facebook offered up to \$7 million in matching donations for nonprofits that used its platform to raise funds on Giving Tuesday.
- But this gesture masks the negative impact Facebook's newly adopted advertising policies have had on nonprofit organizations that rely on social media.
- In response to public scrutiny stemming from the Cambridge Analytica scandal this year, Facebook has implemented enforcement measures aimed at improving election security and discouraging anonymous political messages. These measures have been poorly executed and inconsistently applied. They unfairly burden charitable organizations and small businesses, yet are easy for organized or well-funded actors to circumvent.
- Several paid advertising campaigns run by my colleagues and clients have been inexplicably obstructed by Facebook's policing in the past several months.

- The only real protection Facebook's identification requirements might provide is a guarantee that Facebook users can determine the true identity of the marketer responsible for a political advertisement.
- As several reporters have recently discovered, Facebook allows many advertisers who pass its invasive screening process to run political ads under any identity they choose.
- And despite benevolent gestures on Giving Tuesday, nonprofits and small businesses will continue to suffer under Facebook's arbitrary restrictions.

● Facebook Bug Potentially Exposed Unshared Photos of Up 6.8 Million Users

https://www.wsj.com/articles/facebook-bug-potentially-exposed-unshared-photos-of-up-6-8-million-users-11544806623?st=98dqb7n7j8i0xs&reflink=desktopwebshare_permalink

Updated Dec. 14, 2018 at 6:02 pm ET

- Up to 1,500 apps may have had improper access to photos that weren't yet shared by Facebook users, including in draft posts, from Sept. 13 to Sept. 25, the company said Friday in a post on its developers' blog.
- Facebook's privacy safeguards have become a mounting problem for the company.
- The impact of the breach isn't yet clear, including whether any developers accessed the photos during the window when they were improperly made available.
- Consumer backlash has contributed to slowing revenue growth for Facebook, and a more than 25% decline in the stock price over the past five months.
- Facebook's disclosure Friday also comes as it faces [a range of regulatory inquiries](#) into how it safeguards user privacy, treats its competitors and controls access to its platform.
- The latest incident also exposes Facebook to fresh scrutiny from European regulators, who earlier this year enacted legislation requiring internet companies like Facebook to [inform them about breaches within 72 hours](#).
- Facebook said it informed Ireland's Data Protection Commission, which is the company's lead privacy regulator in Europe, about the incident on Nov. 22. The company said it spent roughly two months after learning of the glitch trying to determine the scope of the incident and whether it was required to disclose it. The company said it believes it is in compliance with European law.
- Facebook then waited several weeks to announce the breach publicly because it needed to build a notification page and translate it into multiple languages, the spokeswoman said.
- Early next week, Facebook will roll out tools for third-party app developers to determine which people might have been affected by the application program interface bug that led to the potential exposure of the photos. Facebook said it would work with the developers to delete affected users' photos.
- Any developer that doesn't certify within two months that it deleted any photos it improperly obtained will lose access to the Facebook platform, the company said.

D.C. Attorney General Files Suit Against Facebook Over Privacy

https://www.wsj.com/articles/d-c-attorney-general-files-suit-against-facebook-over-privacy-11545246094?st=s7hfw5dy7yhv3ec&reflink=desktopwebshare_permalink

Dec. 19, 2018 at 2:01 pm ET

- The District of Columbia attorney general filed suit against Facebook on Wednesday, alleging the company "failed to protect the privacy of its users" in the Cambridge Analytica scandal.
- Attorney General Karl Racine said in a statement that the company also deceived users "about who had access to their data and how it was used."
- Cambridge Analytica then used the data to help presidential campaigns target voters based on their personal traits, according to Mr. Racine's suit.

- No other state attorneys general have joined in the suit, and there is no formal multistate investigation, D.C. officials said.
- It estimates that more than 340,000 D.C. users were affected.
- The Federal Trade Commission also is probing Facebook over the incident as well as other suspected privacy issues.

★● Ad Agency CEO Calls on Marketers to Take Collective Stand Against Facebook

https://www.wsj.com/articles/ad-agency-ceo-calls-on-marketers-to-take-collective-stand-against-facebook-11545326768?st=hldqziha7wjinok&reflink=desktopwebshare_permalink

Dec. 20, 2018 12:26 pm ET

- Mat Baxter, CEO of Initiative, an Interpublic Group of Cos. agency, wrote on his LinkedIn page Wednesday that it was time to "take a collective stand" against Facebook. "
- "Hopefully, when they feel the pain of lost advertising dollars things might just change," the post concluded.
- Initiative's clients include Unilever, Carlsberg, Lego and Merck, according to the agency's website.
- In one of the latest developments, the District of Columbia attorney general filed suit against Facebook on Wednesday, alleging the company failed to protect the privacy of its users in the Cambridge Analytica scandal.
- Marketers' appetite for Facebook and its portfolio of apps, which also include Instagram and WhatsApp, hasn't shown signs of waning. Facebook's advertising revenue grew 33% to \$13.4 billion in the three months ended Sept. 30. Market-research firm eMarketer predicts Facebook will control 20.8% of digital ad spending in the U.S. next year, behind only Google's 36.2% share.
- Marketers tend to make their advertising decisions based on which platforms are the most effective destinations for their ad budgets. Facebook's "combination of a huge audience and incredibly detailed targeting is like catnip for advertisers, and now Facebook has become an integral part of many advertisers' media plans and it's very hard to simply turn off the spigot," said Deborah Aho Williamson, principal analyst at eMarketer.
- Also included in Mr. Baxter's post was a link to a news article about Facebook acknowledging it allowed companies including Netflix and Spotify access to users' messages.

Facebook's Lonely Conservative Takes on a Power Position

https://www.wsj.com/articles/facebook-s-lonely-conservative-takes-on-a-power-position-11545570000?st=m5oqc6iijwbtcrc&reflink=desktopwebshare_permalink

Dec. 23, 2018 at 8:00 am ET

- After more than a year of research and discussion, Facebook Inc. late this summer shelved a project called "Common Ground" that tried to encourage users with different political beliefs to interact in less-hostile ways. One reason: fears the proposed fix could trigger claims of bias against conservatives, according to people familiar with the decision.
- The objections were raised by Joel Kaplan, a former White House aide to George W. Bush who has emerged as Facebook's protector against allegations of political bias—and thus one of its most powerful and controversial executives.
- The debate ended in November when The Daily Caller's fact-checking operation lost its accreditation.
- A former Marine, Mr. Kaplan was deputy chief of staff in the White House and for a time was embedded in the Treasury Department during the financial crisis.

- Several people close to Mr. Kaplan describe him as a traditional conservative and not a Trump supporter.
- Mr. Kaplan's job is to "demonstrate to people that Facebook is being fair," said Josh Bolten, former chief of staff in the Bush administration and friend of Mr. Kaplan's. "
- Mr. Kaplan has played an influential role in a number of sensitive internal decisions in the last year.
- Mr. Kaplan, joined by other Facebook executives, argued that the efforts to mitigate polarization could disproportionately hurt conservative voices, triggering claims of bias and exposing Facebook to allegations of social-engineering, people familiar with his response said.

Facebook Begins New Year in Fixer-Upper Mode

https://www.wsj.com/articles/facebook-begins-new-year-in-fixer-upper-mode-11546554725?st=hvjr4e0cipj2ebi&reflink=desktopwebshare_permalink

Jan. 3, 2019 at 5:32 pm ET

- At the top of the 2019 to-do list: find a balance between the social-media giant's deeply held drive for growth and its heightened commitment to improving safety and security across its many platforms.
- its once-torrid revenue growth is slowing and Mr. Zuckerberg has said the company is in a transition that will lead to slower growth and higher costs.
- Government scrutiny of Facebook is also only [expected to increase](#) in 2019.
- Mr. Zuckerberg has said he is open to some form of increased oversight, and has privately asked Mr. Kaplan and other executives to come up with regulation plans that Facebook could stomach, people familiar with the matter say.
- Among other investments, Facebook now has more than 30,000 employees focused on policing content that could violate the site's rules.
- "We've fundamentally altered our DNA to focus more on preventing harm in all our services, and we've systematically shifted a large portion of our company to work on preventing harm."
- Some outside analysts say the company should focus on cleaning up the platform, and return to its growth strategy later.
- "I don't think adding users is the answer," says Jason Cieslak, president at Siegel+Gale, a brand-consulting firm that advises companies on digital strategies and communications. "They are trying to fly the plane while they are still building parts of it."
- Analysts say a key challenge this year is for Facebook to generate more revenue from those units without turning off users as well.
- Amid industrywide concerns that digital advertising growth could slow, continued dents to the Facebook brand could impede its efforts to branch into other growth areas.
- Several senior executives tapped to oversee Facebook's cleanup efforts were key players in Facebook's past growth efforts, including Javier Olivan, vice president of growth; Naomi Gleit, vice president of social good; and Guy Rosen, co-founder of Onavo, an app that Facebook bought in 2012 that has now become a key source of [competitive intelligence](#) for Facebook, according to people familiar with the matter.
- A Facebook spokesman says it made sense to put the company's premier experts on growth in charge of preventing abuses.

Facebook Pulls More Russia-Linked Accounts

https://www.wsj.com/articles/facebook-pulls-more-russia-linked-accounts-11547727235?st=69alujwc3s3n3e0&reflink=desktopwebshare_permalink

Updated Jan. 17, 2019 at 8:27 am ET

- Facebook Inc. said early Thursday that it had removed pages and accounts linked to what it said were two Russia-based misinformation campaigns, the latest step in the social-media company's effort to prevent misuse of its service.
- The company removed about 500 pages and accounts on both Facebook and its Instagram photo service, Facebook cybersecurity policy head Nathaniel Gleicher said in a statement.

- One of them operated in Ukraine, with the people behind the accounts representing themselves as Ukrainian and sharing local news stories.
- The other campaign operated in Central Asia, as well as Central and Eastern Europe.
- Facebook said the pages and accounts in this campaign were linked to employees of Sputnik, a Moscow-based news agency.
- A Sputnik representative said the company's journalists focus on only news, and that Facebook's decision to block some of its pages is tantamount to political censorship. Russian authorities weren't immediately available to comment.
- Facebook said it acted on the Ukrainian operation after an initial tip from U.S. law enforcement.

U.S. Close to Ending Its Facebook Privacy Probe

https://www.wsj.com/articles/u-s-close-to-ending-its-facebook-privacy-probe-11547860527?st=bx4z1l2jzp4f7eh&reflink=desktopwebshare_permalink

Updated Jan. 18, 2019 at 9:29 pm ET

- The federal government's privacy investigation into Facebook Inc. appears to be nearing a conclusion, with the prospect of a large fine looming for the social-media giant.
- Federal Trade Commission officials have said privately that they are close to completing their investigation, according to a person familiar with the matter.
- The main issue outstanding is the penalty, which is expected to include a substantial fine, the person said.
- The FTC has been probing whether Facebook violated terms of an earlier consent decree when data of tens of millions of its users was transferred to Cambridge Analytica, a data firm that did work for the campaign of President Trump.
- The FTC in 2011 charged Facebook with deceiving consumers by telling them they could keep their information on Facebook private, but then repeatedly allowing it to be shared and made public.

Facebook, Germany to Collaborate Against Election Interference

https://www.wsj.com/articles/facebook-germany-to-collaborate-against-election-interference-11548004995?st=gl0zt1p4om6f184&reflink=desktopwebshare_permalink

Jan. 20, 2019 at 12:23 pm ET

- Facebook Inc. Chief Operating Officer Sheryl Sandberg said the company will work with the German ministry for information security in a broad effort to guide policy here and throughout Europe on election interference.
- The collaboration will build upon previous work between the social network and the regulator during the 2017 federal elections in Germany, Ms. Sandberg said. The effort is part of continued work by Facebook to strengthen its platform against interference.
- The German cybersecurity watchdog will spearhead the initiative, a person familiar with the matter said.
- Ms. Sandberg has come under fire from investors, regulators and users in recent months for a series of management missteps, including criticism of Facebook's handling of Russia's interference in the 2016 U.S.
- Speaking on Sunday at the DLD Conference on digitization, business, and culture in Munich, Ms. Sandberg emphasized that the company has removed thousands of accounts as it works to prevent election interference.
- Facebook has also come under scrutiny in Germany for its data-collection practices.

Russia Accuses Facebook, Twitter of Failing to Comply With Data Laws

https://www.wsj.com/articles/russia-accuses-facebook-twitter-of-failing-to-comply-with-data-laws-11548085132?st=7gzacbag103ypom&reflink=desktopwebshare_permalink

Updated Jan. 21, 2019 at 1:36 pm ET

- Russia launched administrative action against Facebook Inc. and Twitter Inc. on Monday for failing to comply with its data laws, a move that comes just days after Facebook removed the accounts of what it said were two misinformation campaigns based in the country.
- Communications watchdog Roskomnadzor, the federal executive body responsible for censorship in media and telecommunications, said the social-media networks hadn't submitted any formal and specific plans or submitted an acceptable explanation of when they would meet the country's requirements that all servers used to store Russians' personal data be located in Russia.
- The move raises concern that the social-media giants could face future restrictions or be blocked.
- On Thursday, Facebook said it would expand efforts to crack down on misuse of its service by removing some 500 pages and accounts linked to what it said were two Russia-based misinformation campaigns.

★● Advocacy Groups Urge FTC to Pursue Facebook Breakup

https://www.wsj.com/articles/advocacy-groups-urge-ftc-to-pursue-facebook-breakup-11548285813?st=66nz82yqzrbd25n&reflink=desktopwebshare_permalink

Jan. 23, 2019 at 6:23 pm ET

- Several advocacy groups are urging the Federal Trade Commission to seek a breakup of Facebook Inc. as it weighs possible penalties against the social media company for privacy violations.
- Facebook has acknowledged that the data firm Cambridge Analytica improperly obtained personal data of millions of users.
- Among other remedies, “the FTC should require Facebook to unwind the acquisition of both WhatsApp and Instagram” for its failure to protect the data of those apps’ users, according to a draft letter from the groups to the FTC.
- One legal expert said the commission was unlikely to seek a breakup but could impose a significant fine.
- Facebook officials don't believe the FTC has the legal grounds to tie any violation of the consent decree to a breakup of the company, according to a person familiar with Facebook's thinking.
- The FTC in 2011 charged Facebook with deceiving consumers by promising they could keep their information on Facebook private, and then repeatedly allowing it to be shared and made public.
- There is little evidence the FTC’s Republican majority would support a breakup. But one of the five FTC commissioners, Democrat Rohit Chopra, has publicly advocated tougher penalties for companies that become repeat offenders, including management changes and divestiture of business lines.

★● Facebook Has Got the Wrong Kind of Friends

https://www.wsj.com/articles/facebook-has-got-the-wrong-kind-of-friends-11548419400?st=11i3yrkerq9uyrg&reflink=desktopwebshare_permalink

Jan. 25, 2019 at 7:30 am ET

- The leading social-media network, which has about 2.3 billion users world-wide, logged 10% year-over-year growth in monthly active users in the third quarter.
- Despite growth in its overall user base, recent data from global market research company Nielsen Holdings Inc. shows users are spending significantly less time on the Facebook app versus the same period last year.
- Users aged 18 and older collectively spent about 18 hours on the app in November, according to Nielsen, down 12% from last year.
- Notably, the data also shows an exodus of younger users from the app, with those aged 18-24 spending 27% less time on the network. Many users in the younger age brackets say they check Facebook very briefly these days, if only to avoid social backlash of [missing a fringe friend’s birthday](#).
- That is a problem for a company that generates 99% of its revenue through advertisements. Facebook needs to demonstrate compelling user engagement across its platforms to attract marketers to continue

growing the business. Users from less engaged age groups or those from less affluent countries aren't as attractive to advertisers.

- The good news, according to Facebook's Chief Executive Officer Mark Zuckerberg, is that many who leave Facebook are staying within the family by transitioning over to faster-growing Instagram, which Facebook owns.
- Instagram's revenue is expected to grow by over 60% in 2019, according to Jefferies analyst Brent Thill, compared with Facebook's 17% over the same period.
- "We're investing more heavily in Instagram lately because that's where our target market has gone," said one head of e-commerce, whose company has used Facebook since 2013. "But Facebook is still the world's largest social network. We'd be crazy not to use it."

Facebook Opens New Fronts to Combat Political Interference

https://www.wsj.com/articles/facebook-vows-to-fight-election-interference-the-spread-of-fake-news-11548680757?st=i011betw49df4hj&reflink=desktopwebshare_permalink

Updated Jan. 28, 2019 at 5:07 pm ET

- Facebook Inc. plans to make more information available world-wide about political ads purchased on its services, expanding the social-media giant's effort to defend against politically motivated interference in elections from India to the European Union.
- Nick Clegg, the former British politician hired by Facebook last year, said in Brussels on Monday that Facebook's new policies are a result of the company's realization that it had been too slow to respond to misuse of its tools in 2016. "
- On Monday, Facebook described new aspects of how an outside group will review the company's content decisions, including the board's authority to reverse internal decisions about whether to allow or remove certain posts.
- The external group could create a buffer between the company and criticism that its decisions to ban certain kinds of content or specific users are inconsistent and biased.
- The company has already created libraries of political and issue ads for certain countries, including the U.S. and Brazil.
- Facebook also said it would set up two regional operations centers in Dublin and Singapore to act as hubs to coordinate and respond to fake news, hate speech and voter suppression across multiple countries.

Facebook Earnings: What to Watch

https://www.wsj.com/articles/facebook-earnings-what-to-watch-11548844202?st=luau1uyf60n0wqh&reflink=desktopwebshare_permalink

Jan. 30, 2019 at 5:30 am ET

- User numbers in Facebook's lucrative markets have stagnated over the past year.
- WHATSAPP MONETIZATION: Facebook's WhatsApp messaging product has more than 1.5 billion monthly users, and last year Chief Executive Mark Zuckerberg detailed plans to sell advertisements on the service.
- While advertising revenue growth at Facebook is slowing overall, a new platform to sell ads could help reverse these trends.

★● Apple Bans App Used by Facebook in Escalating Privacy Fight

https://www.wsj.com/articles/apple-bans-facebook-app-in-escalating-privacy-fight-11548876192?st=z6da8p60yqv6ghd&reflink=desktopwebshare_permalink

Updated Jan. 30, 2019 at 5:42 pm ET

- Apple said it revoked Facebook's permission to maintain a research app that had targeted teens and young adults, paying them \$20 a month to suck up their data and track their activity across different apps and web browsers.
- It wasn't clear precisely how Facebook contacted the participants or how they were paid.
- Apple said in a statement that Facebook distributed the app through a developer program that was designed for internal functions within companies, rather than consumer-facing. As such, Facebook's action marked a "clear breach" of Apple's policies, the statement said.
- Apple on Wednesday also shut down a number of internal apps used by Facebook employees, a move that is likely causing disruption within the company because of its heavy reliance on communicating via these apps.
- Efforts to skirt Apple's rules aren't limited to Facebook. Google on Wednesday said it has disabled Screenwise Meter, a data-collecting app launched in 2012 through the same Apple developer program. In exchange for a \$25 gift card, Google asked users to install a plug-in that would allow the company to track what sites users visit and how they use them. The program originally targeted users as young as 13 years old.
- Google on Wednesday said it has disabled Screenwise AAPL 0.42% Meter, a data-collecting app launched in 2012 through the same Apple developer program.
- Facebook's research effort, aimed at users between ages 13 and 35, has been operating since 2016, TechCrunch reported.
- Once downloaded, the research app gained access to an enormous amount of user data that include private messages on social media, chat history, emails and web searches.
- Facebook told TechCrunch the program was standard market research and all of the data collection was fully disclosed to participants. Teenagers were required to submit parental consent forms before signing up.
- This isn't the first time Facebook's surreptitious data collection has landed it in hot water with Apple. Facebook [pulled Onavo Protect](#), its data-security app, from the App Store last August. Facebook used the data gathered through the app to track rivals and investigate new product categories.

Facebook Posts Record Profit, Capping Grueling Year

https://www.wsj.com/articles/facebook-reports-record-profit-11548882887?st=pozogfdcvzcnrh3&reflink=desktopwebshare_permalink

Updated Jan. 30, 2019 at 7:16 pm ET

- Facebook Inc. posted record quarterly profit despite a drumbeat of negative headlines, prompting CEO [Mark Zuckerberg](#) to say the social-media giant has turned a corner and plans to focus this year on building new products.
- The fourth-quarter earnings show that advertisers continue to see Facebook as a powerful platform for reaching consumers and that users aren't abandoning the company in large numbers even as its [data-privacy practices have been](#) under attack.
- Daily usage of Facebook's family of apps has slowed in Facebook's most lucrative markets: the U.S. and Canada added about one million users, while Europe added about four million. These trends matter for Facebook because about 70% of its advertising revenue comes from these regions.
- Ms. Sandberg said Facebook has "a lot of opportunity" to increase the amount of money it makes per user by getting more efficient with ad targeting. "If you look at what percentage of our ads are truly relevant to the people who are seeing them, we have a long way to go," she said.
- Facebook is projected to control 20.5% of the digital-ad market this year, behind [Alphabet Inc.](#)'s Google, which is expected to account for 31.3%, according to research firm eMarketer.
- Mr. Zuckerberg described a number of changes coming to Facebook. He said it plans to make messaging more central to its apps, roll out payments on WhatsApp to more countries and allow more ephemeral sharing "so that your information doesn't stick around forever." Ephemeral sharing encroaches more on core features of Facebook's smaller competitor [Snap Inc.](#)
- Mr. Zuckerberg also addressed the prospect of integrating his Facebook and WhatsApp products, saying that users are saying they want to be able to communicate across his company's networks.

Facebook, Twitter Remove Accounts to Combat Foreign Misinformation

https://www.wsj.com/articles/facebook-twitter-take-action-to-combat-foreign-misinformation-11548965673?st=mfuxnulzy5z9qb2&reflink=desktopwebshare_permalink

Updated Jan. 31, 2019 at 5:02 pm ET

- Facebook Inc. and Twitter Inc. said on Thursday that they removed hundreds of fake accounts from Iran and Venezuela spreading misinformation on their social-media platforms.
- Twitter released a report stating that it had recently removed 764 accounts linked to Venezuela, which sent nearly 1 million Twitter messages ahead of the 2018 midterm election in the U.S., some of which were politically themed.
- Those pages and accounts were designed to seem like local voices—but were in fact largely material lifted from Iranian state media, he said during a call with reporters.
- These accounts and pages purchased under \$30,000 in Facebook and Instagram ads, Mr. Gleicher said.
- In September, Twitter also removed 2,617 fake accounts linked to Iran.
- In August, the company removed 652 pages and accounts that originated in Iran.