Gibson, Dunn & Crutcher LLP

Campbell et al v. Facebook Inc.

DECLARATION OF CHRISTOPHER CHORBA IN SUPPORT OF DEFENDANT FACEBOOK, INC.'S OPPOSITION TO PLAINTIFFS' MOTION FOR CLASS CERTIFICATION

Case No. C 13-05996 PJH

Doc. 181 Att. 7

I, Christopher Chorba, declare as follows:

1. I am an attorney admitted to practice law before this Court. I am a partner in the law firm of Gibson, Dunn & Crutcher LLP, and I am one of the attorneys responsible for representing Defendant Facebook, Inc. ("Facebook") in the above-captioned action. I submit this declaration in support of Facebook's Opposition to Plaintiffs' Motion for Class Certification (Dkt. 138). Unless otherwise stated, the following facts are within my personal knowledge and, if called and sworn as a witness, I could and would testify competently to these facts.

# I. <u>Demonstratives</u>

- 2. Attached as **Exhibits A–D** are demonstrative graphics regarding the named plaintiffs and challenged practices.\*
  - a. Attached as **Exhibit A** is a chart summarizing a number of individualized issues concerning the named Plaintiffs and some putative class members.
  - b. Attached as **Exhibit B** is a graphical representation of the steps required to send and receive a Facebook message with a URL preview attachment.
  - c. Attached as **Exhibit C** are graphical representations of the individualized inquiries related to ascertainability.
  - d. Attached as **Exhibit D** are charts summarizing the variability for the challenged practices.
- 3. Facebook and its messaging service have often been the subject of public news reports, blog posts, and other publications. Attached as **Exhibit E** is a chart summarizing seventy-seven publicly available online publications, including, *inter alia*, news reports, articles, editorials, and Facebook developer documentation, published between May 6, 2009 and August 7, 2013. Attached as **Exhibits F, G, H, I, J**, and **K** are the corresponding seventy-seven publications, arranged by Bates numbers FB000000066 to FB0000000424 and produced by Facebook during this litigation.

<sup>\*</sup> For the Court's convenience, and to avoid duplication in the numbering of the exhibits submitted by Plaintiffs, Facebook has used letters rather than numbers to designate its exhibits.

### II. Discovery Requests And Responses From Plaintiffs

### A. Plaintiffs' Deposition Testimony

- 4. Attached as **Exhibit** L is a true and correct copy of relevant excerpts of the deposition transcript of Plaintiff Matthew Campbell on May 19, 2015.
- 5. Attached as **Exhibit M** is a true and correct copy of relevant excerpts of the deposition transcript of Plaintiff Michael Hurley on July 9, 2015.
- 6. Attached as **Exhibit N** is a true and correct copy of relevant excerpts of the deposition transcript of Mr. David Shadpour on October 1, 2015.

# B. Plaintiffs' Written Discovery Responses

- 7. Attached as **Exhibit O** is a true and correct copy of Plaintiff Campbell's Corrected Objections and Responses to Defendant Facebook, Inc.'s First Set of Interrogatories, dated April 2, 2015. As these responses reflect, Mr. Campbell has sent or received at least <u>232</u> Facebook messages containing URLs between the time he filed this action (December 30, 2013), and the date of his responses (April 2, 2015).
- 8. Attached as **Exhibit P** is a true and correct copy of Plaintiff Hurley's Objections and Responses to Defendant Facebook, Inc.'s First Set of Interrogatories, dated April 1, 2015. As these responses reflect, Mr. Hurley has sent or received at least <u>3</u> Facebook messages containing URLs between the time he filed this action (December 30, 2013), and the date of his responses (April 1, 2015).
- 9. Attached as **Exhibit Q** is a true and correct copy of (Former) Plaintiff Shadpour's Corrected Objections and Responses to Defendant Facebook, Inc.'s First Set of Interrogatories, dated April 2, 2015. As these responses reflect, Mr. Shadpour has sent or received at least <u>4</u> Facebook messages containing URLs between the time he filed this action (January 21, 2014), and the date of his responses (April 2, 2015).
- 10. On April 10, 2015, Plaintiffs supplemented their responses to Facebook's Interrogatories through a letter from counsel (David Rudolph). In particular, Plaintiffs supplemented their responses to Facebook's Interrogatory No. 5 to describe the manner in which they learned of the

facts supporting their claims, as follows:

- "Mr. Campbell first learned of the facts concerning Facebook's scanning of private messages in the manner alleged in the complaint on October 30, 2013 upon receipt of a private message sent via Facebook by David Slade. Mr. Campbell was not aware of Facebook's scanning of private messages in the manner alleged in the complaint prior to learning of these facts from Mr. Slade."
- "Mr. Hurley first learned of the facts concerning Facebook's scanning of private messages in the manner alleged in the complaint in or around mid-December 2013 during a telephone conversation with Melissa Gardner. Mr. Hurley was not aware of Facebook's scanning of private messages in the manner alleged in the complaint prior to learning of those facts from Ms. Gardner."
- "Mr. Shadpour first learned of the facts concerning Facebook's scanning of private messages in the manner alleged in the complaint in or around October or November 2013 during a telephone conversation with Lesley Portnoy. Mr. Shadpour was not aware of Facebook's scanning of private messages in the manner alleged in the complaint prior to learning of those facts from Mr. Portnoy."

Attached as **Exhibit R** is a true and correct copy of Mr. Rudolph's letter dated April 10, 2015.

#### C. Plaintiffs' Document Productions

- During discovery, Facebook requested that Plaintiffs produce copies of the Facebook messages that they sent or received, including but not limited to messages containing URLs.
- 12. Attached as **Exhibits S–U** are true and correct copies of the Facebook messages that Mr. Campbell produced in this action, bearing Bates numbers CAMPBELL000001–181 (messages that Mr. Campbell sent from his personal Facebook account), CAMPBELL000440–494 (messages that Mr. Campbell sent regarding his Blue Hog Report blog), and CAMPBELL000495–496 (messages to/from Mr. Campbell's personal Facebook account regarding his communications with Plaintiffs' counsel before filing this action). In the latter category, Plaintiffs' counsel David Slade sent the following Facebook message to Mr. Campbell on October 30, 2013:

"Hey Matt, quick question: do you ever send business-related communications via Facebook? E.g., contacting Pinnacle clients via this messaging function? Full disclosure: I'm putting together a privacy case against Facebook (looks like they scan these messages...most likely for data mining/profiling purposes), and am trying to think about the best possible plaintiffs. My bosses are all Luddites, so there's no FB use in our day to day. But I'm wondering whether

lawyers use this as a communication mechanism professionally. Anyways, just reaching out to my various lawyer people. Hope this finds you well. –D"

(Ex. V, CAMPBELL000495–496 (emphases added).)

In response, Mr. Campbell, an attorney himself, states that he uses Facebook to communicate with clients, to garner business, and to communicate with other lawyers, and he replies:

"I'm totally willing to be a plaintiff for you if it's helpful, by the way. It would be nice to be a plaintiff in one of these newsworthy stories and not be the attorney, too!"

#### (Ex. V, CAMPBELL000496.)

13. Attached as **Exhibit V** are true and correct copies of the Facebook messages that Mr. Hurley produced in this action, bearing Bates numbers HURLEY000001–003.

#### D. Plaintiffs' Interrogatory No. 8 To Facebook

- 14. On May 26, 2015, Plaintiffs propounded their Second Set of Interrogatories, which consisted of Interrogatory No. 8, and which sought detailed information regarding the processing of "each [Facebook] message sent or received by Plaintiffs containing a URL." (Dkt. 130.)
- 15. After discussions between the parties regarding the scope of Interrogatory No. 8, Plaintiffs' counsel (Mr. Rudolph) wrote to Facebook's counsel on July 24, 2015, to confirm Plaintiffs' agreement to limit their Interrogatory No. 8 "to a subset of the total messages at issue," and Mr. Rudolph provided a list of 19 messages (8 messages to/from Plaintiff Hurley, and 11 messages to/from Plaintiff Campbell). Mr. Rudolph explained that for these 19 messages, "Plaintiffs seek identification and data production of each of the Objects and Associations created when Facebook processed Plaintiffs' Private Messages containing a URL." Attached as **Exhibit W** is a true and correct copy of Mr. Rudolph's letter dated July 24, 2015.
- 16. A true and correct copy of Facebook's Second Supplemental Responses and Objections to Plaintiffs' Narrowed Second Set of Interrogatories (dated October 28, 2015) is attached to the Declaration of Alex Himel as **Exhibit MM**. As discussed in these Responses, "[i]f the webpages at the URLs in those Subject Messages [with share objects] never displayed a Like Count, then the inclusion of URLs in those messages also could not have resulted in any increment to any Like Count on any third-party website." (*Id.* at 17.) Facebook explained that it does not possess

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records to determine *historically* "whether those webpages displayed a Like Count during the relevant period." (*Id.*) At the time of the Responses, Facebook determined that "only one of those seven [messages with share objects and within the relevant time period] included a URL to a third-party webpage that appears to *currently* display a Count next to the Like Button." (*Id.*) Facebook produced documents related to its responses regarding the 19 messages. (*Id.* at 18 & Ex. A)

- 17. Facebook also analyzed these messages to determine which of the messages (if any) had a possibility of incrementing a social plugin count on a third-party website. Although Facebook does not possess records to determine whether a particular third-party webpage displayed a social plugin count at the time Plaintiffs' selected messages were either sent or received, the Internet Wayback Machine (<a href="https://archive.org/web/">https://archive.org/web/</a>) is a "reliable" resource that Plaintiffs' technical expert, Dr. Jennifer Golbeck, uses "pretty frequently" to view archived webpages. (Ex. EE, Golbeck Depo. Tr., at 20:7-21:3.)
- object was created, the Internet Wayback Machine revealed that for the 10 of 12 messages that did have a share object, there was no corresponding social plugin on the websites referenced by the URLs in Plaintiffs' messages at or near the time the messages were sent. For example, on July 11, 2012 Plaintiff Hurley sent a Facebook message to with the URL,

  Although this message had a share object created, a corresponding social plugin did not exist on the Craigslist website at or around the time Plaintiff Hurley sent this message. Thus, 10 of the 19 messages identified by Plaintiffs had a share object but did not have a corresponding social plugin on the third-party website.

For each of the remaining twelve messages selected by Plaintiffs and for which a share

- 19. For 1 of the 12 messages that did have a share object, the Internet Wayback Machine did not have the webpage archived. That message was sent by to Plaintiff Hurley on April 20, 2014, and it contained the URL,
- 20. The remaining message was sent from Plaintiff Hurley to Plaintiffs' counsel Melissa Gardner.

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#### **III.** Other Discovery Issues

- A. Facebook's "Public-Facing Statements" and "Dedicated Team of Privacy Professionals"
- 21. In their Motion, Plaintiffs assert as follows:

Discovery also demonstrates that Facebook's public-facing statements about "procedural safeguards" for ensuring user privacy in product development are false. Facebook has represented, *inter alia*, in its filings with the Security and Exchange Commission that it has "a dedicated team of privacy professionals who are involved in new product and feature development from design through launch" and who conduct "ongoing review and monitoring of the way data is handled by existing features and applications." However, when asked to produce documents sufficient to identify the individuals comprising this "dedicated team," Facebook responded that *none* existed.

(Dkt. 138 at 20-21.)

- 22. In fact, Facebook's counsel never told Plaintiffs' counsel that Facebook did not have a "dedicated team of privacy professionals." On the contrary, Facebook specifically *denied* Plaintiffs' request to admit that there was no such team, and indeed there is such a team. Attached as **Exhibit X** is a true and correct copy of Defendant Facebook, Inc.'s Responses and Objections to Plaintiffs' First Set of Requests for Admission dated June 29, 2015.
- Rather, Facebook's counsel simply confirmed that, in response to a *document request*, there was not a "specific list." Plaintiffs' request sought "*documents*" regarding "the 'dedicated team of privacy professionals' identified on page 8 of Your Form 10-K for fiscal year ending December 31, 2013." (Dkt. 138-4, Ex. 31.) Facebook responded by explaining that it did not have a *document* responsive to Request No. 29, listing members of its internal privacy team. Plaintiffs even misstated the correspondence among counsel by *omitting* the bolded portion below in their brief:

With respect to Request No. 29, please be advised that there is no specific list of the 'dedicated team of privacy professionals' referenced in the Request, but we have already agreed to conduct a reasonable search for non-privileged documents sufficient to identify Facebook's current and former employees who may possess knowledge relevant to the practice challenged in this action, and we also have identified witnesses with relevant knowledge in Facebook's Initial Disclosures and responses to Plaintiffs' Interrogatories.

Plaintiffs attached Facebook's complete response to the request as Exhibit 32 (Dkt. 138-4, Ex. 32).

# B. Plaintiffs' Expanded Proposed Class Definition Exceeds The "Relevant Time Period" For Discovery

- 24. Plaintiffs' Consolidated Amended Complaint identified the following proposed class: "All natural-person Facebook users located within the United States who have sent or received private messages that included URLs in their content, from within two years before the filing of this action up through and including the date when Facebook ceased its practice," which Plaintiffs alleged to be "at some point after it was exposed in October 2012." (Dkt. 25 ¶ 59 & n.3.)
- 25. In their Motion for Class Certification, Plaintiffs now seek to certify a proposed class of all "Facebook users located within the United States who have sent, or received from a Facebook user, private messages that included URLs in their content (and from which Facebook generated a URL attachment), within two years before the filing of this action *up through the date of certification of the class.*" (Dkt. 138 at 10 (emphasis added).) In other words, Plaintiffs have now expanded their proposed class by over three years.
- 26. Plaintiffs' new proposed class definition extends well beyond the relevant time period to which the parties expressly agreed for discovery. On April 7, 2015, Hank Bates, counsel for Plaintiffs, proposed that the "Relevant Time Period" for "producing documents" should be April 1, 2010, to the date of filing the action, December 30, 2013. Attached as **Exhibit Y** is a true and correct copy of Mr. Bates' letter dated April 7, 2015.
- 27. After some further discussions between the parties, Facebook agreed to this time period in letters dated May 13 and June 12, 2015. Attached as **Exhibits Z** and **AA** are true and correct copies of these letters.
- Regarding the production of source code, the parties agreed (and stipulated, *see* Dkt. 90) to a slightly different time period—September 1, 2009 to December 31, 2012—reflecting the fact that Plaintiffs had alleged that the challenged practice had ceased "at some point after it was exposed in October 2012." (Dkt.  $25 \, \P \, 59 \, \& \, n.3.$ )
- 29. Additionally, during depositions of Facebook's witnesses, counsel for Plaintiffs repeatedly limited questions to the time period of "2010 to 2012" or "2010 to 2013." Attached as **Exhibits BB** and **CC** are true and correct copies of excerpts of the deposition transcripts of Facebook

witnesses, Jiakai Liu and Ray He, dated June 30, 2015 and September 25, 2015, respectively, reflecting, *inter alia*, a handful of those questions.

# C. Fernando Torres' Expert Report And The Information He Claims That He Needs To Complete His Damages Analysis

- 30. Plaintiffs' proposed damages expert, Mr. Fernando Torres, testified that, in order to complete his damages analysis, he needed *additional* information that is distinct from Plaintiffs' previous damages discovery requests— which they represented were "critical to establishing" their damages theory. Attached as **Exhibit DD** is a true and correct copy of relevant excerpts of the deposition transcript of Mr. Fernando Torres on December 18, 2015.
- 31. In support of prior discovery motions, Plaintiffs argued that they would be "unduly prejudice[d]" without "discovery relevant to damages in this action." (Dkt. 112 at 2; *see also* Dkt. 109 at 2, 4 (arguing that "[w]ithout discovery into the revenue Facebook has generated . . . Plaintiffs will be hampered in formulating a class-wide damages theory").) Plaintiffs represented that the discovery they sought was "critical to establishing" their damages theory and that "expert analysis of the [] information sought" would allow them to "accurately model the profits attributable to the challenged conduct." (Dkt. 112 at 2-3.) And they also argued that the damages discovery sought was "directly relevant to the issues of damages suffered by the class as well as the appropriate injunctive relief . . . and [was] . . . necessary for Plaintiffs to fashion a theory of class-wide relief for their class certification briefing." (Dkt. 109 at 2, 4.)
- 32. In light of these and other arguments, Plaintiffs received a 30-day extension of the briefing schedule (Dkt. 117) and successfully compelled Facebook to produce extremely broad discovery (Dkt. 130, 136.).
- 33. In his expert report, however, Mr. Torres cited only 7 of the thousands of documents produced by Facebook during the course of this litigation. (Dkt. 138-4, Ex. 33.) He also asserted in his report that he needed *other information* from Facebook: "with additional information, including production from Facebook, and inputs, these conclusions [in the Report] could be refined." (Dkt. 138-4, Ex. 33, ¶ 11 n.12.) In the final paragraph of his report, Mr. Torres explained, "With quantitative data on the number of affected 'Like' counts, and identification of the affected URLs, it

will be feasible to narrow the ranges discussed here and calculate more precisely the potential incremental benefit attributable to the accused practice." (Id. ¶ 74.)

- 34. During his deposition, Mr. Torres discussed the additional information he needed or was expecting from Facebook in order to complete his analysis. But as of the date of this Declaration, Plaintiffs have not requested the vast majority of information that Mr. Torres identified in his deposition. To the extent some of the information has been requested previously, Facebook has already conducted a reasonable search and diligent inquiry and has produced responsive information to the extent it exists.
- 35. The following chart summarizes the discovery information Mr. Torres claims he needs to complete his analysis and whether the information has been previously requested by Plaintiffs:

Information Mr. Torres Needs	Requested by Plaintiffs?
"[T]he number of [Facebook] messages that were intercepted that contain URLs"	No.
(Ex. EE [Torres Depo. at 27:20-22].)	
"[T]he total number of [Facebook] messages"	No.
(Ex. EE [Torres Depo. at 27:22-23].)	
"[H]ow many messages each user sent, et cetera, how many fall into the definition of the class"	No.
(Ex. EE [Torres Depo. at 227:9-11].)	
"[H]ow many URLs were intercepted that led to like counts being increased"	Yes, but no responsive documents existed. <sup>1</sup>
(Ex. EE [Torres Depo. at 285:10-14].)	

Facebook's Response to Plaintiffs' Request for Production No. 57: "Facebook [] conduct[ed] a reasonable search for non-privileged documents sufficient to identify the number [of] Likes that were generated as a result of the processes involved in the practice challenged in this action (the alleged increase in the Facebook 'Like' count on a website when the URL for that website was contained in a message transmitted through Facebook's Messages product) between April 1, 2010 and December 30, 2013, to the extent such documents exist, are within Facebook's custody and control, ha[d] not already been produced to Plaintiffs, and c[ould] be located using a reasonable search."

Information Mr. Torres Needs	Requested by Plaintiffs?
"[T]he ratio of those increases to the total like counters"	No.
(Ex. EE [Torres Depo. at 285:10-14].)	
"[T]he value of the advertising revenue perceived by Facebook"	Yes. <sup>2</sup>
(Ex. EE [Torres Depo. at 285:14-15].)	
"The advertising revenue that reflects only the U.S."	No.
(Ex. EE [Torres Depo. at 205:16-22].)	
"[T]he number of links captured that fall under the definition of the class."	No.
(Ex. EE [Torres Depo. at 208:19-20].)	
"[T]he number of links on the social graph."	No.
(Ex. EE [Torres Depo. at 218:2-3].)	
Whether websites corresponding to URLs in Facebook messages had social plugins at the time the message was sent.	No.
(Ex. EE [Torres Depo. at 266:17-22].)	

# D. Response To Rudolph Declaration And Plaintiffs' Misstatements About Discovery

- 36. In support of the Motion, Plaintiffs' counsel David Rudolph filed a supporting declaration (Dkt. 138-3) in which he raises several complaints about discovery in this case. Mr. Rudolph's declaration contains a large number of misstatements about the discovery conducted in this case, and the following paragraphs respond to his points in sequence.
- 37. First, relying on his previously filed Declaration in support of Plaintiffs' Motion to Enlarge Time and Extend Deadlines (Dkt. 109-2), Mr. Rudolph argues that Plaintiffs' "ability to

<sup>&</sup>lt;sup>2</sup> Facebook produced documents in compliance with the Court's Orders, which, *inter alia*, compelled Facebook to produce documents responsive to Plaintiffs' Requests for Production Nos. 53, 54, and 59. (Dkt. 130, 136; *see also supra* ¶¶ 31-32.)

prepare their motion for class certification" was "prejudice[ed]" by Facebook's alleged "delay[s]
providing relevant discovery in this matter." (Dkt. 138-3, $\P$ 2.) More specifically, he claims that
Facebook "delayed production of its source code by over five months and [] failed to produce a
significant number of documents responsive to Plaintiffs' document requests" in a timely manner.
(Id.)

- 38. Mr. Rudolph does not explain that this Court already was presented with these arguments on *two* separate occasions. After considering Facebook's Opposition to Plaintiffs' Motion to Enlarge Time and Extend Deadlines (Dkt. 114) and the supporting Declaration of Joshua Jessen (Dkt. 114-1), which rebutted similar assertions from Plaintiffs' counsel, this Court ruled that the "90-day extension sought by plaintiffs would unnecessarily delay the case," and instead ordered a 30-day extension. (Dkt. 117; *see also* Dkt. 113-1 at 13.)
- 39. Several weeks later, Plaintiffs filed a Renewed Motion to Continue, attempting to revisit the issue and arguing that Facebook "delayed [] providing relevant discovery, including by failing to produce a significant proportion of relevant and responsive documents until October 13, and October 28." (Dkt. 134-1.) Once again, Facebook responded to Plaintiffs' false assertions and corrected the record. (Dkt. 135, 135-1.) This Court denied Plaintiffs' motion. (Dkt. 136.)
- 40. Mr. Rudolph's most recent declaration (Dkt. 138-3) again argues that Facebook "delayed" production of its source code, "delayed" producing a significant portion of documents until October 13-28, 2015, and "delayed" producing additional documents until November 3-7, 2015. (Dkt. 138-3, ¶ 2-5.) Facebook already refuted the first two assertions were before the Court. (*See* Dkt. 114-1 ¶¶ 8-36; 135-1 ¶¶ 2-10.) On Mr. Rudolph's last point, he fails to mention that Facebook's November productions were in response to Plaintiffs' Motion to Compel (Dkt. 112), Magistrate Judge James' Order on October 14, 2015 (Dkt. 130), and this Court's Order on November 3, 2015. (Dkt. 136.) In other words, the productions were the result of *Plaintiffs'* motions to compel. Facebook produced all responsive documents it could locate after a reasonable search in a timely manner. Although Mr. Rudolph is correct to point out that the November 7 productions were significant in volume, this was through no fault of Facebook—it had repeatedly warned Plaintiffs that

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