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8 Attorneys for Defendant Facebook, Inc.

9 UNITED STATES DISTRICT COURT
 10 NORTHERN DISTRICT OF CALIFORNIA
 11 SAN FRANCISCO DIVISION
 12

13 ANGEL FRALEY; PAUL WANG; SUSAN
 14 MAINZER; JAMES H. DUVAL, a minor, by
 and through JAMES DUVAL, as Guardian ad
 15 Litem; and W.T., a minor, by and through
 RUSSELL TAIT, as guardian ad Litem;
 16 individually and on behalf of all others
 similarly situated,

17 Plaintiffs,

18 v.

19 FACEBOOK, INC, a corporation; and DOES
 20 1-100,

21 Defendants.

Case No. 11-CV-01726 RS

**DECLARATION OF JAMES C. SQUIRES IN
 SUPPORT OF JOINT MOTION FOR
 PRELIMINARY APPROVAL OF REVISED
 SETTLEMENT**

DATE: October 25, 2012
 TIME: 1:30 p.m.
 DEPT.: 3
 JUDGE: Hon. Richard Seeborg

1 I, James C. Squires, hereby declare as follows:

2 1. I have been employed by Facebook for over three years. Based on my overall
3 experience working for Facebook, I have general knowledge of the functioning and layout of the
4 website, as well as Facebook’s marketing tools, including Sponsored Stories. Except as otherwise
5 noted, I have personal knowledge of the following facts and, if called to testify, could and would
6 testify competently thereto.

7 **Profile Pictures**

8 2. Users can choose to, but need not, upload a “Profile Picture” to their Profiles.

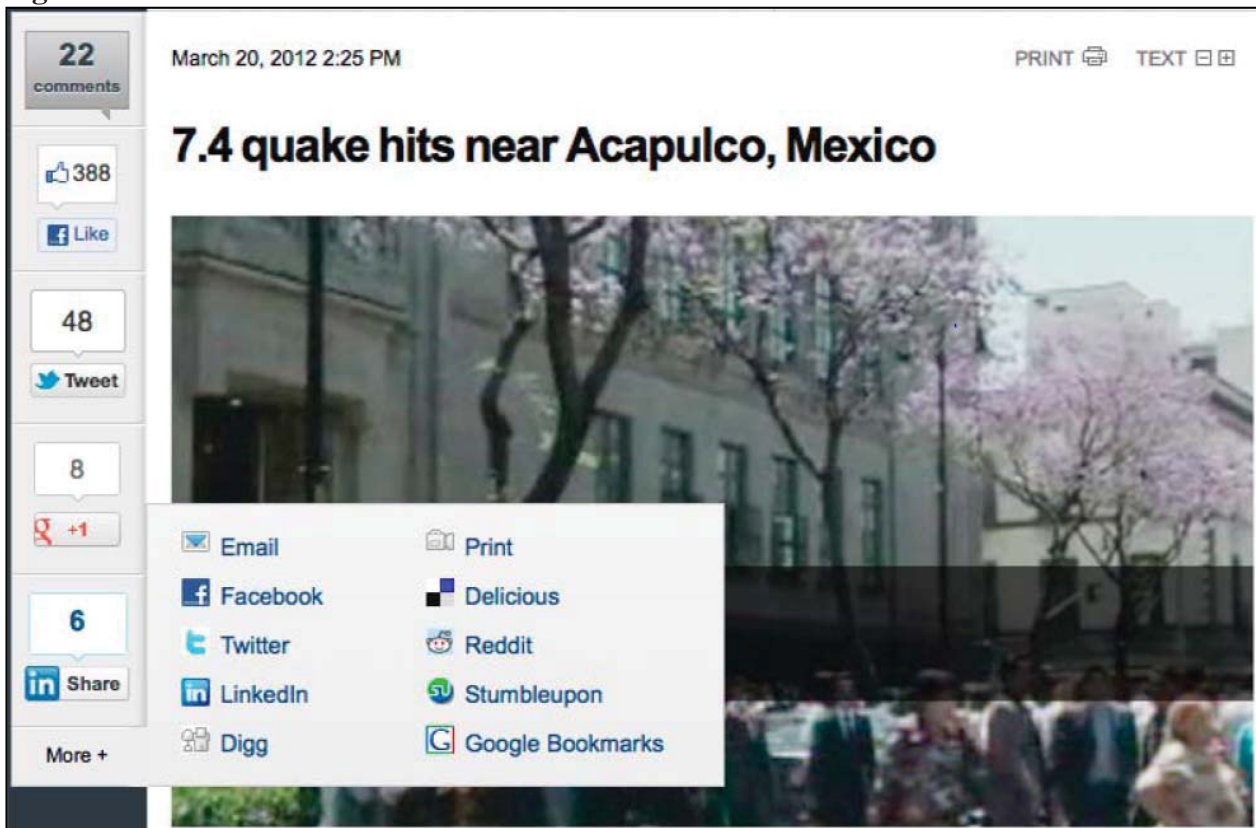
9 3. A Profile Picture can be an image or photo of virtually anything (subject to
10 Facebook’s terms and policies), including people, pets, landscapes, text, objects, symbols, or, of
11 course, an image of the User herself.

12 **Like Button and Like Statements**

13 4. Facebook Users can share information by “Liking” content. The Facebook
14 “Like” button was launched in February 2009 and quickly became a highly popular way for Users
15 to engage with content on and off of Facebook. Users previously could “Fan” a Page by clicking
16 on a “Become a Fan” button. That feature was replaced by the Like button in April 2010. Many
17 other interactive websites have similar features that enable users to seamlessly share content (e.g.,
18 Google Plus’s “+1”, Twitter’s “Tweet”, LinkedIn’s “inShare” or Reddit). An example of a
19 website depicting similar share features is shown below in Figure 1.

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1 **Figure 1 – Other Features Which Permit Users to Share Content On Interactive Website**



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5. The Like button appears next to many types of content on the Facebook website—including on the Facebook Pages of brands, politicians, causes, and other entities that have established a presence on Facebook. Below in Figures 2 and 2 are examples of Like buttons on Facebook Pages.

Figure 2 – Like Button on Unicef Page



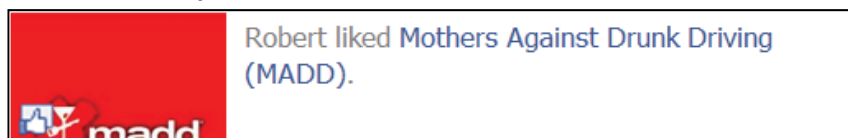
1 **Figure 3 – Like Button for Mormon.org**



11 6. The Like button has also been added by numerous other websites so that
12 Facebook Users can Like news articles, videos, photos, or other content on those websites.

13 7. By clicking on the Like button—on or off of Facebook—a User posts a Like story
14 to his or her Timeline (e.g., “Susan Mainzer likes Unicef,” “Dojanutt McSwindy likes this photo,”
15 “Angel Fraley likes this article”). Figure 4 below is an example of a Like Story.

16 **Figure 4 – Like Story**

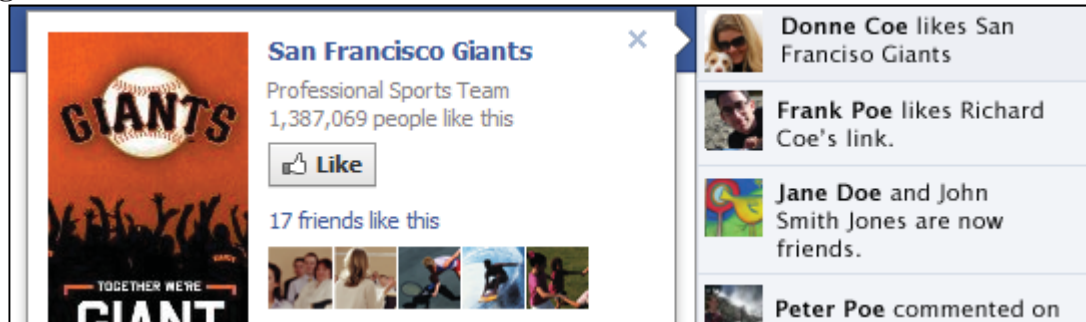


20 8. As with virtually all content Users choose to share on Facebook, the Like story is
21 displayed to the User’s chosen audience—typically the User’s Friends. It may also appear in
22 their Friends’ News Feeds, as well as in Friends’ Tickers. Examples are provided in Figures 5
23 and 6 below. When a User’s Like statement is displayed to his or her Friends, it is typically
24 accompanied by the User’s name and/or Profile Picture.

25 **Figure 5 - User Like of a Facebook Page in Friend’s News Feed**



1 **Figure 6 - User Like in Friend's Ticker**



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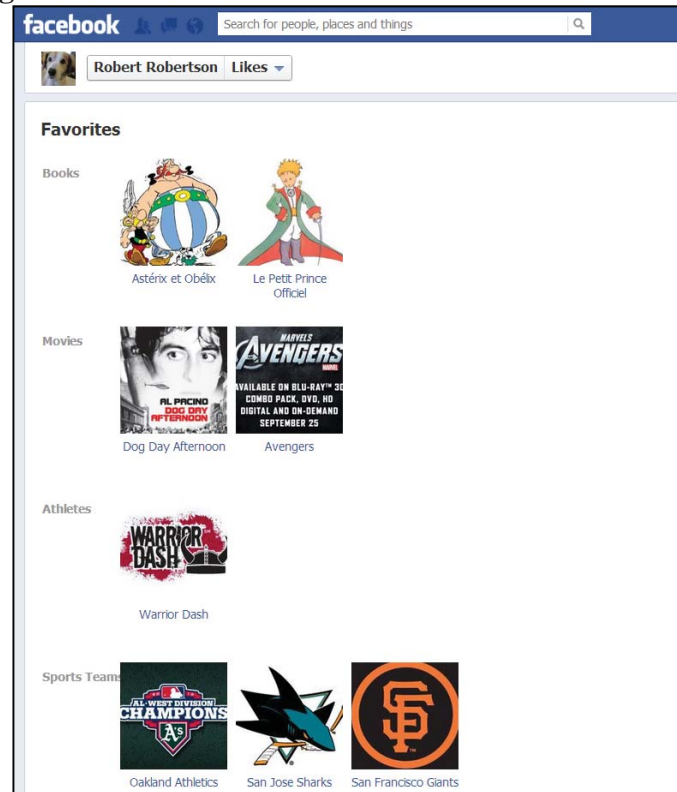
8 9. Users' stories, including Like statements, can also be displayed in a number of

9 other locations on Facebook, either with or without the User's name and Profile Picture. For

10 instance, a Like statement for a Facebook Page may be displayed in the "Favorites" section of the

11 User's Timeline, as shown in Figure 7 below.¹

12 **Figure 7 - User Likes in Favorites Section**



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26 ¹ Before May 2010, the Pages that a User had Liked (called Page connections) were considered

27 "Public" information, meaning anyone on Facebook could see the Pages a User had Liked.

28 Starting in May 2010, Facebook provided privacy controls so that Users could limit who could see their Page connections, just like other content shared on Facebook. These privacy controls for Page connections still exist, as described below.

1 10. The statement may also appear on the relevant Facebook Page itself (if the
2 content Liked was a Page). An example is shown in Figure 8 below.

3 **Figure 8 - User Like on Page Itself**



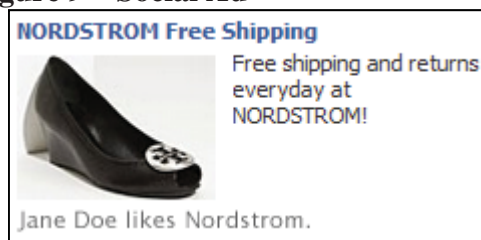
20 11. Users can Like an extraordinarily broad range of content on and off Facebook.
21 As of December 2011, there were more than 37 million Pages on Facebook alone for which ten or
22 more Users have Liked the Page, including Pages related to various books, magazines, interests,
23 brands, products, companies, organizations (non-profits, universities, etc.), local businesses,
24 movies, music bands or artists, individuals (celebrities, politicians, etc.), sports teams, television
25 programs, websites, and blogs. Here are some examples along with the number of reported User
26 Likes as of April 17, 2012: Coca-Cola (41 million Likes); the Beatles (26 million Likes);
27 WalMart (14.7 million Likes); Michelle Obama (7.1 million Likes); Dalai Lama (3.2 million
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1 Likes); UNICEF (1.7 million Likes); the San Francisco 49ers (1.2 million Likes); Mormon.org
 2 (419,000 Likes); Rick Perry (180,000 Likes) and another Page called “Rick Perry For President
 3 2012” (13,000 Likes); City and County of San Francisco (269,000 Likes); California Academy of
 4 Sciences (48,000 Likes); San Francisco International Airport (SFO) (22,000 Likes); and Boudin
 5 Bakery (19,000 Likes).

6 12. As with all stories, Users control who can see their Likes through their privacy
 7 settings, or by curating the stories on their Timeline or activity log. Users can also “unlike” a
 8 Page at any time by visiting the Page itself or can do so from their Timeline or activity log.

9 13. I understand that Facebook has displayed trillions of Social Ad impressions² since
 10 their initial launch in November 2007. An example of a Social Ad is shown in Figure 9.

11 **Figure 9 – Social Ad**



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 16 14. Facebook revised the Social Ads setting page in January 2011 to make clear that
 17 it did not apply to other types of sponsored and non-sponsored content on the site: “This setting
 18 only applies to ads that we pair with news about social actions. So, independent of this setting,
 19 you may still see social actions in other contexts, like in Sponsored Stories or paired with
 20 messages from Facebook. You can learn more about how social ads, Sponsored Stories, and
 21 messages from Facebook work in the Help Center.”

22 **Sponsored Stories**

23 15. Sponsored Stories are a new marketing tool (introduced in January 2011) that
 24 allows organizations, businesses, or other sponsors to pay to increase the likelihood that a User’s
 25 Friends may see certain types of stories already shared by the User on Facebook. Sponsored
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 28 ² An impression is a unique display of an Ad or Sponsored Story on Facebook.

1 Stories appear on the right-hand side, though since January 2012, they also may appear in the
2 News Feed (center column).

3 16. All content displayed in the Sponsored Story is content that was eligible to appear
4 in the original News Feed story. That is, for a Page Like Sponsored Story, it—just like a News
5 Feed story—can include the name, Profile Picture, and Like statement of the User appearing in
6 the story (e.g., Susan Mainzer), as well as the name and Profile Picture of the Page sponsoring the
7 story (e.g., UNICEF). It is the Page’s Facebook Profile Picture which is displayed in Page Like
8 Sponsored Stories, not a logo separately provided by the Page owner or Facebook.

9 17. Sponsored Stories are displayed to the same Friends with whom the User shared
10 his or her story. For example, if a User shares his or her Likes with 10 Friends, only those 10
11 Friends could see a Sponsored Story featuring the User. In some cases, Facebook may show a
12 Sponsored Story to a narrower audience than what the User set. For example, if a User makes his
13 or her Likes visible to “Everyone”—meaning anyone on the Internet who visits his or her
14 Profile—a Sponsored Story featuring that User will be shown only to the User’s Friends, at most.
15 An example of a Sponsored Story is shown in Figure 10.

16 **Figure 10 – Example of Sponsored Story**



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21 18. There are limited types of Sponsored Stories that may feature Users’ names
22 and/or Profile Pictures:

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- Page Likes: When a User Likes a Facebook Page;
 - Page Post Likes: When a User Likes a Post shared by the administrator of a Facebook Page;
 - App Used or Game Played: When a User uses an Application or plays a Game on Facebook;

- 1 • App Shared: When a User shares an Application on Facebook with another
- 2 User;
- 3 • Poll: When a User responds to a question or poll posed by the administrator of
- 4 a Facebook Page;
- 5 • Check-In: When a User checks in at a location on Facebook; and
- 6 • Domain Share: When a User Likes a piece of content on a third-party website,
- 7 shares a piece of content from a third-party website, or pastes a link to a third-
- 8 party website in a status update.

9 19. As noted, Sponsored Stories may be generated only when a User takes an eligible
10 action and chooses to share a story about his or her action with Friends.

11 20. A variety of organizations elect to sponsor stories Users share with their Friends.
12 For example, CNN has paid to sponsor Like Stories related to its news articles. Politicians and
13 political organizations such as Michelle Bachmann, the Democratic Congressional Campaign
14 Committee, the New Jersey Republican Party, Ron Paul, and the ForAmerica Super PAC have
15 sponsored Like stories. Similarly, religious groups and organizations have sponsored Like
16 Stories. For example, the Church of Jesus Christ of Latter-Day Saints has sponsored Like stories
17 of its Mormon.org Facebook Page, as has the Catholic Advocate.

18 User Controls of Sponsored Stories

19 21. Users have a wide variety of granular options to limit or prevent their appearance
20 in Sponsored Stories, just as they can limit or prevent the appearance of their stories in their
21 Friends' News Feeds and elsewhere on the site.

22 22. Users can control the visibility of the stories they share on Facebook through the
23 use of an inline audience selector. Using this inline privacy tool, Users can select the audience to
24 which a particular post will be visible at the time they make the post. When a User clicks on the
25 audience selector tool, it displays a menu allowing the User to make the associated post visible to
26 the "Public," to "Friends" only, to "Only Me," or to a "Custom" or other list of Friends, including
27 User-created lists and smart lists. The tool also may be used to retroactively change the audience
28 for a particular story.

1 23. The narrowest setting is “Only Me.” For any given story, setting the inline
2 privacy setting to “Only Me” means that the story is visible on Facebook only to the User. A
3 story is not eligible to appear as a Sponsored Story or in the User’s Friends’ News Feeds if the
4 User has set the audience to “Only Me.” Similarly, “unliking” a page will prevent the User from
5 appearing in new Sponsored Stories associated with that Page.

6 **Facebook’s Education of Users Regarding Sponsored Stories**

7 24. Facebook has undertaken efforts to educate Users about its marketing tools,
8 including Sponsored Stories, and how they work.

9 25. For example, in December 2011, Facebook initiated a sitewide User-education
10 campaign about its marketing tools. Facebook displayed a message at the top of all Users’ Home
11 Pages stating: “About Ads: Ever wonder how Facebook makes money? Get the Details.” Users
12 who clicked on the underlined text were redirected to a page entitled “About Advertising on
13 Facebook.” Figure 12 below is a screenshot of how the sitewide message was displayed.

14 **Figure 12 – Sitewide Message**



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19 I declare under penalty of perjury that the foregoing is true and correct.

20 Executed on October 5, 2012 at Menlo Park, California.

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23 /s/ James C. Squires
24 James C. Squires

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ATTESTATION (CIVIL LOCAL RULE 5-1(i)(3))

In accordance with Civil Local Rule 5-1(i)(3), I attest that concurrence in the filing of this document has been obtained from the signatory.

Dated: October 5, 2012

COOLEY LLP

/s/ Michael G. Rhodes
Michael G. Rhodes
Attorneys for Defendant Facebook, Inc.