UK Facebook Users could benefit from £2.1 billion class action as case proceeds to trial

- Competition law claim is brought on behalf of UK Facebook users who accessed their Facebook account between 14 February 2016 and 6 October 2023, while in the UK.
- An estimated 46 million eligible UK users of Facebook will <u>automatically</u> be included in the claim, unless they opt out by 5 March 2025.
- Groundbreaking legal case led by competition expert, Dr Liza Lovdahl Gormsen seeks compensation for UK Facebook Users for Meta's collection and use of their data outside of the Facebook platform. Dr Lovdahl Gormsen alleges that there was an unlawful "price" set for gaining access to the social network, which involved surrender of UK users' highly valuable personal data on a "take it or leave it" basis due to the Meta's dominance in the social networking market.
- Users who do not wish to be part of the claim should visit facebookclaim.co.uk to opt out before 5 March 2025.

Embargo: 5 December 2024

LONDON, UK

Competition law expert Dr Liza Lovdahl Gormsen's multi-billion pound case against Meta has been certified by the Competition Appeal Tribunal in London. Meta failed to prevent the case from proceeding as neither the Competition Appeal Tribunal nor the Court of Appeal granted Meta leave to appeal.

The case is now proceeding to trial, opening up the prospect of compensation for 46 million UK Facebook users.

Every Facebook user who were domiciled in the UK on 15 February 2024 and accessed Facebook at least once in the period between 14 February 2016 and 6 October 2023 will be automatically included in the case unless they opt out by 5 March 2025.

Dr Lovdahl Gormsen says: "We welcome the opportunity to hold Meta to account for abusing its dominant position by exploiting 46 million UK users' data. Meta abused its market dominance by imposing unfair terms and conditions on UK users and imposing an unlawful price. We are very pleased

that the Tribunal has approved me to go ahead and represent the class in our pursuit of redress for each individual affected"

The Tribunal ruled Meta's attempts to challenge Dr. Lovdahl Gormsen's claims were "insufficient" after expert testimony from leading economist Fiona Scott Morton, a former Deputy Assistant Attorney General for Economics at the U.S. Department of Justice's Antitrust Division. Whilst Meta attempted to appeal this decision, the Court of Appeal in October refused permission for them to do so.

Class action claims have risen in the UK in the past three years but do not always receive a Collective Proceedings Order. As of November 2024, only a third of all cases have reached this stage, underscoring the importance of this decision.

Dr Lovdahl Gormsen's case argues that Meta set an 'unfair price' for UK Facebook users. The "price" set for granting access to the social network was the surrender of UK users' highly valuable personal data on a take-it-or-leave-it basis for access to the network. In return, users only received "free" access to Facebook's social network, and zero monetary recompense whilst Facebook generated billions in revenues from its users' data. This unfair deal was only possible due to Meta's market dominance, meaning users had no other social network they could use to get the same service.

The claim seeks damages of at least £2.1 billion, plus interest, on aggregate for all UK consumers affected.

Kate Vernon, partner and Head of Competition Litigation Practice at law firm Quinn Emanuel, representing Dr Lovdahl Gormsen said: "This groundbreaking case promises to redefine the application of competition law in the context of data exploitation. It sets a legal framework for approaching this pivotal matter and represents a significant shift in how we address the associated critical issues."

Dr Lovdahl Gormsen's legal action is an opt-out class action brought under the Competition Act 1998 and the first to protect individuals' data rights against Meta under competition law in England and Wales. The case is backed by some of Britain's most prominent lawyers and economists, such as the Rt. Honourable Lord Neuberger, former President of the Supreme Court, Professor Richard

Whish, Honorary Kings Counsel, economist Chris Pike, and Peter Vicary-Smith, former CEO of Which?.

A notice of the collective proceedings order, which sets out how users may opt out of the claim, can be found here.

- Ends -

Notes to editors

Please contact us for interviews with Dr Lovdahl Gormsen, additional information, quotes or content for inclusion in your work: jim@jamesbaxtermedia.com

About Dr Liza Lovdahl Gormsen

The case is being led on behalf of the class by Dr Liza Lovdahl Gormsen, Senior Research Fellow at the British Institute of International and Comparative Law (BIICL) and the director of the Competition Law Forum. The Competition Law Forum is a noted centre of excellence for European competition and antitrust policy and law.

In addition, Dr Lovdahl Gormsen is a Board Member of the Open Markets Institute and sits on the advisory board of the Journal of Antitrust Enforcement (OUP).

As an international expert in the field, Dr Lovdahl Gormsen co-authored the paper "<u>Facebook's Anticompetitive Lean in Strategies</u>" (2019) and "Facebook's Exploitative and Exclusionary Abuses in the Two-Sided Market for Social Networks and Display Advertising" (2021). The latter argues that antitrust enforcement is required to prevent the company from reinforcing its datadriven abuse of market power.

Dr Lovdahl Gormsen is represented by Quinn Emanuel Urquhart & Sullivan UK LLP, one of the UK's leading competition law specialists. The case is spearheaded by Quinn Emanuel partner Kate Vernon, a highly respected competition law specialist, and assisted by partner Leo Kitchen, and associates Megan Hiluta, Aadil Master and Alexander Groes. Also advising Dr Lovdahl Gormsen are counsel Robert O'Donoghue KC of Brick Court Chambers, Tom Coates of Blackstone Chambers, Greg Adey of One Essex Court and Ian Simester of Fountain Court Chambers.

The case is being funded by Innsworth, one of the world's largest civil litigation funders.