



Privacy Rights Clearinghouse

Empowering Consumers. Protecting Privacy.

SENT VIA FEDEX OVERNIGHT

August 1, 2012

Clerk of the United States District Court for the Northern District of California
Attn: The Honorable Richard Seeborg
San Francisco Courthouse, 17th Floor, Courtroom 3
450 Golden Gate Ave.
San Francisco, CA 94102

FILED
AUG 3 2012
RICHARD W. WIEKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

Dear Judge Seeborg:

The Privacy Rights Clearinghouse¹ opposes the proposed settlement agreement in *Fraley v. Facebook* (case no. 11-10726). The proposed agreement provides little to no benefit to the class members.

Facebook's use of its users' personal information in Sponsored Stories is highly profitable to the company. Yet its hundreds of millions of users gain no benefit from the company's obviously lucrative advertising scheme. The proposed settlement provides no monetary relief to class members. Further, the agreement provides no opportunity for its users to even opt out of Sponsored Stories.

Further, the *cy pres* distribution could go much farther regarding the inclusion of nonprofit organizations whose mission is focused 100% on privacy – and whose sole mission is to provide consumer education and troubleshooting services to members of the class. Although the organizations named in the proposed settlement are worthy in their own right, there are other groups that attend diligently to the many facets of the privacy issue full time. Examples include the Electronic Privacy Information Center, the World Privacy Forum, the Center for Digital Democracy, and the Privacy Rights Clearinghouse. The proposed settlement would have a far greater effect in terms of reaching out to members of the class by the inclusion of additional consumer organizations.

The \$10 million to be awarded to class counsel appears excessive and a portion could certainly be put to good use in reaching out to members of the class as mentioned above.

For these reasons, the Privacy Rights Clearinghouse urges the court to reject the proposed settlement agreement in *Fraley v. Facebook*. Thank you for your consideration.

Sincerely,

Beth Givens, Director

¹ The PRC is a nonprofit organization with a two-part mission: consumer education and advocacy. We serve consumers by inviting their privacy-related questions and complaints, and providing them a roadmap for addressing the problems they've experienced regarding unfair and/or illegitimate uses of their personal information in the marketplace. The PRC is based in San Diego, California, and was established 20 years ago in 1992. Our website provides a wealth of resources and tips for individuals (www.privacyrights.org).