

13<sup>th</sup> January 2022. **Embargoed until 0.01am GMT, 14 January 2022**

## **Multi-billion damages claim to be launched against Meta (formerly Facebook) on behalf of UK consumers in landmark collective action**

A multi-billion pound damages claim will be launched against Meta (formerly Facebook Inc.) on behalf of UK Facebook users, for abusing its dominant market position by imposing unfair trading terms and prices on users.

The claim will be filed at the Competition Appeal Tribunal (CAT) and will be pursued under the Consumer Rights Act 2015 on behalf of around 44m UK consumers. The Act enables an opt-out collective damages claim to be brought on behalf of a class of people who have suffered loss. Quinn Emanuel have today written a Letter Before Action to Facebook. A minimum of £2.3bn plus interest is being sought as damages.

The claim is being brought by Dr. Liza Lovdahl Gormsen as the proposed representative of the class of UK consumers. Dr Gormsen has a long and distinguished career as a competition law academic and market abuse practitioner. She is a Senior Research Fellow at the British Institute of International and Comparative Law and the director of the Competition Law Forum

Dr Lovdahl Gormsen is being advised by a Quinn Emanuel team led by UK partner and Head of Competition Litigation Kate Vernon, and counsel Ronit Kreisberger QC and Nikolaus Grubeck of Monckton Chambers and Greg Adey of One Essex Court. The claim is being funded by Innsworth Litigation Funding.

Quinn Emanuel and Innsworth have a strong track record of working in this field and have extensive experience of consumer claims of this kind. They will be providing Dr Lovdahl Gormsen with all the support needed to pursue her action.

Quinn Emanuel partner Kate Vernon said, 'Facebook made billions of pounds from UK consumers by only permitting access to its network in exchange for control of its users' extensive personal data. The price extracted is unfairly high given the commercial value of the user data collected but is presented by Facebook on a 'take it or leave it basis' with zero monetary compensation for users. This is a clear abuse of its dominant position in the social network market and UK consumers must be compensated for this egregious behaviour. We are delighted to be acting for Dr Lovdahl Gormsen in seeking redress for UK consumers who have been unfairly exploited by Facebook over many years'

Facebook faces an antitrust suit by the FTC in the United States that could force it to sell the Instagram and WhatsApp platforms that have cemented its market dominance in the past decade. Facebook is also facing a consumer class action in the US and is also under investigation, or has been investigated and fined by competition authorities, in several countries including , Australia, Argentina, Hungary, Turkey and South Africa.

Quinn Emanuel will imminently be filing Dr Lovdahl Gormsen's proposed claim with the CAT which will set out the details of the claim. This will include a statement from Dr Lovdahl Gormsen explaining why she is bringing the action, why she is the best person to represent consumers and how she will manage it on their behalf. The claim will also be supported by a report from independent expert economists and a detailed plan for managing the claim, including how the proposed class of 44 million consumers will be communicated with through a claims website, newspapers, magazines and social media.

Under the rules laid down in the Consumer Rights Act, all UK users of Facebook between at least 2015 and 2019 now living in the UK will automatically become part of the group of claimants unless they

explicitly opt-out. This means that, once the claim is filed, no action will be required by individuals as they will automatically be eligible to receive compensation at the conclusion of the claim.

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