# UNITED STATES OF AMERICA BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: Joseph J. Simons, Chairman

Noah Joshua Phillips

Rohit Chopra

Rebecca KellySlaughter Christine S. Wilson

In the Matter of

Aleksandr Kogan, an individual, and

Alexander Nix, Individually and as Chief Executive Officer of Cambridge Analytica, LLC.

DOCKET NO. & '2 & . (7 12 &

### **COMPLAINT**

The Federal Trade Commission, having reason to believ Alteria and Kogan, an individual, and Alexander Nix, individually and at the relevant time, Chief Executive Officer of Cambridge Analytica, (collectively "Respondents") was violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that this proceeding is in the public interest, alleges:

## NATURE OF THE CASE

1. This action seeks to hold Respondents responsible for their deceptive acts and practices to harvest personal information from Facebook usersolitical and commercial targeted advertising purposes. Respondents, along with Cambridge Analytica, LLC, jointly and severally developedoperated, analyzed used data obtained through an application on the Facebook platform called the "GSRApplso sometimeseferred to publicly as the "thisisyourdigitallife" app. Using the Graphapplication programing interface ("Graph API") Facebook made available to developensits platform, the GSRApp harvested Facebook user profile data from approximately 250,000–270,000 Facebook users who directly interacted with the app, as well as 50–65 million of the "friends" in those users' social network. Cambridge Analytica, LLCAlexander Nix, and Aleksandr Kogan obtained the app users' consent to collect their Facebook profile data through false and

deceptive meansSpecifically, they falsely represented that the GSRApp did not collect any identifiable information from Facebook users who authorized it.

# **RESPONDENTS**

2. Respondent Aleksandr Kog(tKogan") is an American citizen currently residing in New York. Until September 2018, Kogan was a Senior Research Assanciatectureat the Department of Psychology at the University of Cambridge in the United Kingdom, where he established and led the Cambridge Prosociality and Besitg Lab ("CPW Lab") Kogan was also an owner and co-founder of the relationated U.K. corporation, Global Science4 Tc 0.004 Tw U.de-54 ()4(hea)6-0-ni Utica06 (.2l)--6 11ma

#### JURISDICTION

7. The acts or practices & espondents alleged in this complaint have been in or affecting commerce, as "commerce" is defined in Section 4 of the Federal Trade Commission Act and constitute "deceptive acts or practices involving foreign commerce" as set forth in Section 5 of the FTC Act.

## RESPONDENTS BUSINESS PRACTICES

- A. Agreement to Harvest Facebook User Profile Data for Commercial Purposes
- 8. In late 2013 or early 2014, Nix, SCL Elections Cambridge Analytica became aware of research by individuals at the Psychometrics Centre within the University of Cambridge that found that Facebook profile information could be used to successfully predict an individual's personality traits according to the "OCEAN" scale, a psychometric model that measures an individual's openness to experiences, conscientiousness, extraversion, agreeablenesand neuroticism.
- 9. Specifically, researchedeveloped an algorithm that could predict an individual's personality based on the individual's "likes" of public Facebook pages example, liking Facebook pages related to HtowLose a Guyn 10 Days George W. Bush, and rap and hip-hop could be linked with a conservative and conventional personal he researchers argued that the largorithm, which was more accurate for individuals who had more public Facebook page "likes," could potentially predict individual's personality better than the person's co-workers, friends, family, and even spouse.
- 10. Nix, SCL Elections and Cambridge Analytica weineterested in this research because Cambridge Analyticantended to offer votew p(rafid)/2 (ref)/22(to)])[J.J.3-94.2a(to)/3)-)34((nt)/(pB)-n1)3to(lr)52 T

Facebook allowed this data collection even though the "friends" did not have any direct interaction with the app or website ("Affected Friends"). While Facebook had announced in April 2014 that it was introducing a new version of the Graph API—v.2—that would no longer allow developers to collect profile data from Affected Friends, only from the App Users themselves xisting apps had one year before these limitations went into effect, whereas new approval automatically be limited Kogan's app was, thus, "grandfathered" into the more permissive data collection allowable under Graph API (v.1), making Kogan an appealing partner for ndT (g),8n(16.-2 ene ([T)-34).-2 (b1mw 6.[)o(t)-2c2 1)10 ( (A(cv(n))3)-20 (

THEREFORE, the Federal Trade@mmission this	(LJKW dratyrofQ'WYKHP, 120119J)
hasissued this Complaint again stet Respondents.	

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April J. Tabor Acting Secretary

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