UNITED STATES OF AMERICA BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: Joseph J. Simons, Chairman

Noah Joshua Phillips

Rohit Chopra

Rebecca Kelly Slaughter Christine S. Wilson

FTC Matter No. P205402

ORDER TO FILE A SPECIAL REPORT

[COMPANY NAME],

	<u>SPECIFICATIONS</u>
Identification of Report Author	
Company Information	
General Information Regarding So	ocial Media and Video Streaming Services

desktop and mobile, the number of users and the value of each User Metric, in total and on average per monthly active user (if applicable), Including:

- a) number of registered users;
- b) daily active users ("DAUs");
- c) monthly active users ("MAUs");
- d) time spent;
- e) number of sessions;
- f) unique posts, separately by photos, videos, stories, or other;
- g) views, separately by photos, videos, stories, or other;
- h) "like" or "recommend" actions (e.g., likes, upvotes, downvotes);
- shares, reposts, or forwards, within the Social Media and Video Streaming Service or to any other Social Media and Video Streaming Service;
- j) comments;
- k) messages sent, separately by text, video, and image messages;
- status updates;
- m) size of the social graph;
- n) User Network Size;
- o) privacy settings;
- User Engagement on any Social Media and Video Streaming Service, or other product or service, owned by any Person other than the Company;
- q) value of user to the Company (e.g., dollar value);
- r) exposure to ads (e.g., ad load);
- s) ad engagement;
- t) ads viewed for (i) each Advertising Format and (ii) all Advertising Formats in total;
- ads viewed for (i) each Advertising Format and (ii) all Advertising Formats in total;
 as a share of total posts, stories, and messages viewed; and

- calculate the metric) on a monthly basis, stated separately for each Social Media and Video Streaming Service in each Relevant Area.
- 8. For each Social Media and Video Streaming Service identified in response to Specification 5, separately for each Relevant Area, state, on a monthly, quarterly, and annual basis:
 - a) the Company's revenue, other than advertising revenue, stated in dollars, stated separately by type of revenue, Including gross and net revenue;
 - the Company's revenue for each Digital Advertising Service on the Social Media and Video Streaming Service, stated in dollars, stated separately by type of revenue, Including gross and net revenue;
 - the Company's costs and expenses, other than for Digital Advertising Services on the Social Media and Video Streaming Service, stated in dollars, Including, but not limited to, cost of revenue, traffic acquisition costs, and revenue guarantees;
 - d) the Company's costs and expenses for each Digital Advertising Service on the Social Media and Video Streaming Service, stated in dollars, Including, but not limited to, cost of revenue, traffic acquisition costs, and revenue guarantees;
 - e) the Company's prices for revenue-generating products or services other than advertising revenue; and
 - f) the Company's gross margins, operating margins, and the method of computation.
- 9. State whether the Company uses data professionals (e.g., a privacy engineer) in the management and operation of its Social Media and Video Streaming Service's privacy, ethics, or bias efforts, and state their roles (e.g., legal, technical, operational, design, etc.) in the Social Media and Video Streaming Service's product lifecycle, Including any privacy, bias, or ethics-focused professionals working on Algorithms or Data Analytics utilized by a Social Media and Video Streaming Service, and Describe in Detail their responsibilities.

Data Collection, Use, Storage, Disclosure, and Deletion

- 10. For each Social Media and Video Streaming Service identified in response to Specification 5, separately for each Relevant Area, Identify each User Attribute that the Company uses, tracks, estimates, or derives, Including, but not limited to, each User Attribute Related to the Company's sale of Digital Advertising Services such as User Attributes for targeted advertising. Further, provide the following:
 - a) For each su ,2 (u)7 (te)1 (o)1 (r)-1 (each)1 ()5 (R)3 (el)-0.9((u)7:r)-2r515 T a5 (R)3 (ei)-1 ch Rel 4

- b) the top 100 types of inaccuracies (e.g., fake account, unauthorized account, bot, inaccurate information, invalid clicks or views, etc.) and their primary genesis if known;
- c) the top 1,000 User Attributes with inaccuracies in rank order, starting with the attribute with the most inaccuracies;
- d) the number and type of advertisements shown based on (

dates these changes were made, and every metric and its value pertaining to the financial, growth, or other Company outcomes associated with each change. State, separately for each month from January 1, 2019 onward, the nu

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- to prepare data for Analysis, Including but not limited to locating, acquiring, and ingesting data; assessing and cleaning data; reconciling and making data uniform; extracting, restricting, and linking data; coding and annotating data; and updating data as new information becomes available; and
- ii) to analyze data, Including but not limited to:
 - descriptive and exploratory Analysis;
 - (2) predictive Analysis, such as machine learning, linear regression, non-linear regression classification, data mining, text analytics, Bayesian methods, and simulation; and
 - (3) prescriptive Analysis, such as stochastic models, and optimization;
- b) the sources of such Personal Information, Including
 - i) whether the source is the user, affiliate, third party or other, and if other, describe;
 - ii) the top 100 non-user sources of data;
 - iii) categories of data procured on existing users, uses for each category, the total cost and average cost per user for each category from each source, and 6.1 (r)-1 (y)1 (f)4 (r,c.2.

d) whether the

- e) how the Company determines the accuracy of any decisions made by the Algorithms or Data Analytics, Including the false-positive and false-negative rates;
- f) whether the Company examines or tests data sets and Algorithms for bias, or allows affiliates or third parties to examine or test for bias, and if so how the Company, affiliates, or third parties examine and test data sets and Algorithms for bias, Including which types of demographic categories the Company, affiliates, or third parties analyze, and, if the Company or third party finds bias, the steps the Company takes to address it:
- how the Company monitors any automated decision-making by the Algorithms or Data Analytics;
- h) how the Company evaluates the usefulness of any particular Algorithm or Data Analytics; and
- the frequency with which the Company updates or modifies its Algorithms or Data Analytics.
- 30. Produce all relevant policies and procedures, and any Analysis associated with evaluating, monitoring, testing, and validating the use or application of Algorithms or Data Analytics to Personal Information.
- 31. Describe in Detail how the Company uses Algorithms or Data Analytics to sell or provide any Digital Advertising Service or display advertising to users. Your response should Describe in Detail the process for and the frequency of updates to Algorithms or Data Analytics to remove inaccurate or unauthorized information (Including information on Children and Teens, or information retained after a user revokes consent), and information that users deleted. Produce Documents sufficient to show all:
 - a) Analyses of each such update, remedial actions taken following each such update, and/or strategies and rationale on timing of updates; and
 - Analyses of financial metrics associated with each such update, remedial actions taken following each such update, and/or strategies and rationale on timing of updates.

User Engagement

- 32. For each Social Media and Video Streaming Service identified in response to Specification 5, Describe in Detail how the Company measures, promotes, and researches User Engagement, Including:
 - a) tools the company uses, Including but not limited to Algorithms or Data Analytics, to increase User Engagement;

- c) any action or decision of the Company to terminate or discontinue any Social Media and Video Streaming Service offering or functionality.
- 37. Provide representative samples of each type of promotional material the Company disseminates referring or Relating to User Engagement, Including revenue derived from such User Engagement.
- 38. Describe()Tjft



Relationship with Other Services

- a) barriers to entry into the provision or sale of the Relevant Product, Including but not limited to customer or user lock-in effects, access to user data, and algorithmic sophistication; and
- b) switching costs for users, Including loss or lack of access to data specific to any Relevant Product, Including users' social graph and social history, or difficulty in transferring such data.
- 52. For each Social Media and Video Streaming Service identified in response to

- 2. The term "computer files" Includes information stored in, or accessible through, computers or other information retrieval systems. Thus, the Company should produce Documents that exist in machine-readable form, Including Documents stored in personal computers, portable computers, workstations, minicomputers, mainframes, servers, backup disks and tapes, archive disks and tapes, and other forms of offline storage, whether on or off Company premises. If the Company believes that the required search of backup disks and tapes and archive disks and tapes can be narrowed in any way that is consistent with the Commission's need for Documents and information, You are encouraged to discuss a possible modification to this Definition with the Commission representative identified on the last page of this Request. The Commission representative will consider modifying this Definition to:
 - exclude the search and production of files from backup disks and tapes and archive disks and tapes unless it appears that files are missing from those that exist in personal computers, portable computers, workstations, minicomputers, mainframes, and servers searched by the Company;
 - limit the portion of backup disks and tapes and archive disks and tapes that needs to be searched and produced to certain key individuals, certain time periods, or certain Specifications identified by the Commission representative; or
 - c. Include other proposals consistent with Commission policy and the facts of the case.
- Q. The terms "Each," "any," and "all" mean "each and every."
- R. "Electronically Stored Information" or "ESI" means the complete original and any non-identical copy (whether different from the original because of notations, different metadata, or otherwise), regardless of origin or location, of any writings, drawings, graphs, charts, photographs, sound recordings, images, and other data or data compilations stored in any electronic medium from which information can be obtained either directly or, if necessary, after translation by You into a reasonably usable form. This Includes, but is not limited to, electronic mail, instant messaging, videoconferencing, and other electronic correspondence (whether active, netio(e)1 (,n)5 iuein an

U. "Identify" or "Specify," when used in reference to a natural Person, mean to state the Person's (1) full name; (2) present or last-known residence and telephone number and present or last-known business address and telephone number; and (3) present or last-known employer and job title. For any Person identified, if any of the above information was different during the time period relevant to the CID, supply both the current information and such different information as applies to the time period relevant to the CID. Once a natural Person has been identified properly, it shall be sufficient thereafter when Identifying that same Person to state the name only.

The terms "Identify" or "Specify," when used in reference to a corporation or other nonnatural Person, mean (1) to state that entity's name; (2) to describe its nature (e.g., corporation, partnership, etc.); (3) to state the location of its principal place of business; and (4) to Identify the natural Person or Persons employed by such entity whose actions on behalf of the entity are responsive to the CID. Once such an entity has been identified properly, it shall be sufficient thereafter when Identifying that same entity to state the name only.

The terms "Identify" or "Specify,"

as an instant Messaging user identifier or screen name; (4) telephone number; (5) a persistent identifier, such as a customer number held in a "cookie," a static Internet Protocol ("IP") address, a device identifier, a device fingerprint, a hashed identifier, or a processor serial number; (6) nonpublic Communications and content, Including, but not limited to, e-mail, text messages, contacts, photos, videos, audio, or other digital images or audio content; (7) Internet browsing history, search history, or list of URLs visited; (8) video, audio, cable, or TV viewing history; (9) biometric data; (10) health or medical information; (11) Demographic Information or (12) any other information associated with that User or Device.

- AA. "Publisher" means any Person paid to show an advertisement to consumers.
- BB. "Relate," "Related to," and "Relating to" mean, in whole or in part, addressing, analyzing, concerning, constituting, containing, commenting on, discussing, describing, Identifying, referring to, reflecting, reporting on, stating, or dealing with.
- CC. "Relevant Area" means, and information shall be provided separately for, (1) the United States, and (2) worldwide.
- DD. "Relevant Product" Includes, <u>and information shall be provided separately for</u>, any Social Media and Video Streaming Service or Digital Advertising Service.
- EE. "Selected Advertiser Attribute" means, and information shall be provided separately for, (1) the five (5) Advertiser Attributes that the Company uses most frequently in the provision or sale of advertising, and (2) each of the following Advertiser Attributes:
 - a. industry vertical (e.g., ecommerce, consumer packaged goods, professional services);
 - advertiser size (e.g., global business group, small business group);
 - c. advertising spend tier or bracket; and
 - d. status (e.g., active, inactive).
- FF. "Selected Advertiser Category" means, and information shall be provided separately

- GG. "Selected User Attribute" means, and information shall be provided separately for, each of the following User Attributes: (1) age; (2) gender; (3) Country Location of the user; (4) network size; (5) education; (6) income; (7) race and ethnicity; (8) registration status of the user (e.g., registered or non-registered).
- HH. "Selected User Group" means, and information shall be provided separately for, each mutually exclusive group of users reflecting each mutually exclusive combination of values from the Selected User Attributes.
- "Social Media and Video Streaming Service" Includes, and information shall be provided separately for, any product or service that allows users to create and share content with other users (whether a private or group interaction) through an application or website on any device (e.g., personal computer, iOS device, Android device, etc.), or stream video, Including, but not limited to, any social networking serviS (n)2 (te)1 (n)41(, A)581ssag1 (r

- PP. "You" and "Your" means the individual or entity to whom this Order is issued and Includes the "Company."
- QQ. Meet and Confer: You are encouraged to contact Andrea Arias at (202) 326-2715

of an individual, the provision of health care to an individual, or the past, present, or future payment for the provision of health care to an individual.

APPENDIX A

The Selected User Attributes (including the values associated with each Selected User Attribute) and User Metrics tibism Aprime hid are exemplary, and are not intended to limit the Company's response to the CID.

Age Origin Country
1 (0-25) Yes US
2 (26-50) No Other
3 (50+) Missing Missing
4 (Missing) Missing

Example Data

Sele	ected User Attr	ibutes		Pe	riod	User Metrics				
			Number of				Average	Total Time	Average	
			Registered			Number of	Time Spent	Spent	Posts per	
Age	Origin	Country	Users	Month	Year	MAUs	per MAU	(Hours)	MAU	Total Posts
1	Yes	US	13	Jan	2010	10	2.7	27	2.0	20
2	Yes	US	15	Jan	2010	12	2.8	33	2.3	27
3	Yes	US	16	Jan	2010	13	3.7	48	2.5	32
4	Yes	US	6	Jan	2010	3	2.7	8	2.3	7
1	No	US	11	Jan	2010	8	2.6	21	4.4	35
2	No	US	12	Jan	2010	9	2.7	24	6.2	56
3	No	US	13	Jan	2010	10	4.5	45	4.0	40
4	No	US	5	Jan	2010	2	3.0	6	7.0	14
1	Missing	US	5	Jan	2010	2	2.5	5	3.0	6
2	Missing	US	5	Jan	2010	2	3.0	6	4.0	8
3	Missing	US	5	Jan	2010	2	4.5	9	3.5	7
4	Missing	US	4	Jan	2010	1	1.0	1	2.0	2
1	Yes	Other	14	Jan	2010	11	7.3	80	2.7	30
2	Yes	Other	18	Jan	2010	15	2.8	42	4.7	70
3	Yes	Other	17	Jan	2010	14	5.6	78	6.5	91
4	Yes	Other	7	Jan	2010	4	2.8	11	4.5	18
1	No	Other	23	Jan	2010	20	2.9	57	4.8	95
2	No	Other	8	Jan	2010	5	2.4	12	3.2	16
3	No	Other	9	Jan	2010	6	2.5	15	2.5	15
4	No	Other	4	Jan	2010	1	3.0	3	4.0	4
1	Missing	Other	6	Jan	2010	3	4.7	14	4.3	13
2	Missing	Other	5	Jan	2010	2	2.5	5	4.5	9
3	Missing	Other	5	Jan	2010	2	4.5	9	5.5	11
4	Missing	Other	4	Jan	2010	1	1.0	1	2.0	2
1	Yes	Missing	10	Jan	2010	7	9.6	67	4.3	30
2	Yes	Missing	18	Jan	2010	15	2.8	42	4.7	70
3	Yes	Missing	15	Jan	2010	12	6.4	77	8.1	97
4	Yes	Missing	9	Jan	2010	6	2.2	13	3.8	23
1	No	Missing	21	Jan	2010	18	3.3	59	4.9	89
2 3	No	Missing	10	Jan	2010	7	1.7	12	2.3	16
	No	Missing	8	Jan	2010	5	2.6	13	3.8	19
4	No	Missing	5	Jan	2010	2	1.5	3	2.0	4
1	Missing	Missing	7	Jan	2010	4	3.5	14	2.0	8
2	Missing	Missing	8	Jan	2010	5	1.0	5	1.4	7
3	Missing	Missing	5	Jan	2010	2	4.5	9	6.5	13
4	Missing	Missing	5	Jan	2010	2	3.0	6	3.5	7

APPENDIX B

The Selected Advertiser Attributes (including the values associated with each Selected Advertiser Attribute) and identified this Appendix are exemplary, and are not intended to limit the Company's response to the CID.

Selected Advertiser Attribute Definition Industry
Advertiser Size Vertical S Advertiser Size
1 (Small business)
2 (Large business)
3 (Missing) Spend Tier Ecommerce 1 2 Gaming Missing

Example Data

Selecte	Selected Advertiser Attributes		Period		Advertiser Metrics					
Advertiser	Industry				Number of			Total Number of	Average Winning	
Size	Vertical	Spend Tier	Month	Year	Advertisers	Tota	al Ad Revenue	Auctions	Advertiser Bid	
1	Ecommerce	1	Jan	2010	10	\$	90,000	27	\$	16.5
2	Ecommerce	1	Jan	2010	12	\$	110,000	33	\$	8.50
3	Ecommerce	1	Jan	2010	13	\$	110,000	33	\$	6.5
1	Gaming	1	Jan	2010	8	\$	70,000	21	\$	1.76
2	Gaming	1	Jan	2010	9	\$	80,000	24	\$	8.15
3	Gaming	1	Jan	2010	10	\$	90,000	27	\$	2.3
1	Missing	1	Jan	2010	7	\$	60,000	23	\$	2.6
2	Missing	1	Jan	2010	5	\$	55,000	17	\$	5.13
3	Missing	1	Jan	2010	4	\$	50,000	12	\$	9.15
1	Ecommerce	2	Jan	2010	11	\$	100,000	30	\$	3.35
2	Ecommerce	2	Jan	2010	15	\$	130,000	39	\$	7.15
3	Ecommerce	2	Jan	2010	14	\$	130,000	39	\$	1.45
1	Gaming	2	Jan	2010	20	\$	190,000	57	\$	3.07
2	Gaming	2	Jan	2010	5	\$	40,000	12	\$	25.10
3	Gaming	2	Jan	2010	6	\$	40,000	12	\$	30.2
1	Missing	2	Jan	2010	9	\$	80,000	21	\$	15.80
2	Missing	2	Jan	2010	7	\$	65,000	13	\$	12.30
3	Missing	2	Jan	2010	3	\$	25,000	8	\$	13.50