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# STATE OF VERMONT

| SUPERIOR COURT<br>CHITTENDEN UNIT |   | CIVIL DIVISION Docket No |
|-----------------------------------|---|--------------------------|
| STATE OF VERMONT,                 | ) |                          |
|                                   | ) |                          |
| Plaintiff,                        | ) |                          |
|                                   | ) |                          |
| <b>v.</b>                         | ) |                          |
|                                   | ) |                          |
| META PLATFORMS, INC. and          | ) |                          |
| INSTAGRAM, LLC.                   | ) |                          |
|                                   | ) |                          |
| Defendants                        | ) |                          |
|                                   |   |                          |

**COMPLAINT** 

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## **COMPLAINT**

The Vermont Attorney General brings this suit against Meta Platforms, Inc. and Instagram, LLC ("Defendants") for violations of the Vermont Consumer Protection Act, 9 V.S.A. § 2451 et seq. Defendants have violated the Vermont Consumer Protection Act by engaging in unfair and deceptive acts and practices in commerce, including making materially misleading representations and omissions regarding: the degree to which Defendants' social media platform, Instagram, causes young people to use the platform compulsively and excessively; the risks and harms to young people of compulsive and excessive Instagram use; and the risks and harms to young people of Instagram use otherwise. For these violations, the Attorney General seeks injunctive relief, civil penalties, disgorgement, fees and costs, and other appropriate relief.

#### I. INTRODUCTION

- 1. In 1998, state Attorneys General—including the Attorney General of Vermont—sued Philip Morris and R.J. Reynolds and other tobacco manufacturers for addicting consumers to cigarettes, publicly promoting the deceptive narrative that cigarettes were neither addictive nor harmful, and concealing their internal evidence to the contrary.
- 2. In 2018, state Attorneys General—including the Attorney General of Vermont—sued Purdue Pharma for addicting consumers to opioids, publicly promoting the deceptive narrative that opioids were neither addictive nor harmful, and concealing their internal evidence to the contrary.

- 3. Today, as part of a coordinated multistate effort, the Attorney General of Vermont sues Meta Platforms Inc. and Instagram LLC for addicting a generation of youth to Instagram, publicly promoting the deceptive narrative that Instagram is neither addictive nor harmful to youth, and concealing their internal evidence to the contrary.
- 4. Tobacco. Opioids. Social media. The State of Vermont will not tolerate corporations sacrificing the health of Vermont consumers at the altar of profit, particularly where, as here, the corporate conduct in question targets and disproportionately harms **Vermont youth**.
- 5. On its face, Meta appears to be a social media company. It owns and operates Instagram, Facebook, WhatsApp, and Horizon Worlds. But Meta is an advertising company. And Instagram—the subject of this lawsuit—is a highly sophisticated lure to draw consumers to advertisements.
- 6. Because Meta generates revenue from Instagram by selling advertising on the platform, Meta is incentivized to maximize the amount of time that Instagram users spend on the platform each day. The more time consumers spend on Instagram, the more advertising Meta can display to them, the more Meta can profit. Additionally, the more time consumers spend on Instagram, the more data Meta can collect about their personality and preferences, the better Meta can

<sup>&</sup>lt;sup>1</sup> 98% of Meta's total revenue is advertising revenue. *See Meta Reports Second Quarter 2023 Results* (July 26, 2023), Meta Investor Relations, <a href="https://s21.q4cdn.com/399680738/files/doc\_financials/2023/q2/Meta-06-30-2023-Exhibit-99-1-FINAL.pdf">https://s21.q4cdn.com/399680738/files/doc\_financials/2023/q2/Meta-06-30-2023-Exhibit-99-1-FINAL.pdf</a>, at 10.

target ads at them, and the more money Meta can demand from advertisers for its highly targeted advertising capabilities.

- 7. In Meta's advertising business model, young Instagram users are of paramount significance. This is for several reasons. First, the earlier Meta can draw consumers to Instagram—and away from its social media competitors—the better chance Meta has to retain those consumers' engagement in the long-run. In that regard, young Instagram users are the company's future. They are the eyes that will view ads on Instagram for years to come.
- 8. Second, young users are Instagram's brand ambassadors to America's households, schools, and communities. They bring their family members, classmates, and community peers to the platform, multiplying Meta's ad revenue.
- 9. Third, Meta's "advertising partners" are interested in targeting ads at young Instagram users. From these sellers' perspectives, young Instagram users are fish in a barrel, abundant in supply on the platform; more likely to be influenced by advertisements; potential lifelong customers of the product or service for sale; trend-setters in society; and, historically, highly targetable via Meta's sophisticated, data-driven, ad-targeting technology. (Of note, in a 2019 survey of 8,000 teens nationally with an average age of 16.3 years, 73% of respondents said that "Instagram was the best way for brands to reach them about new products or promotions." 2) And Meta

<sup>&</sup>lt;sup>2</sup> Best Ways for a Retailer/Brand to Communicate About New Products/Promotions According to US Teens, Spring 2019 (% of respondents), Insider Intelligence (Apr. 8, 2019), <a href="https://www.insiderintelligence.com/chart/227856/best-ways-retailerbrand-communicate-about-new-productspromotions-according-us-teens-spring-2019-of-respondents">https://www.insiderintelligence.com/chart/227856/best-ways-retailerbrand-communicate-about-new-productspromotions-according-us-teens-spring-2019-of-respondents</a>

stands to financially gain from its "advertising partners" youth-focused business interests.

- 10. Accordingly, Meta has gone to the extreme to maximize the amount of time that young users spend on Instagram.
- 11. To wit: Meta has expended substantial resources to ; design and develop ; design and develop Instagram features that exploit teen's neurological, cognitive, and psychological vulnerabilities to cause teens to use Instagram compulsively and excessively; and test and refine these features to exact their intended effect.
- 12. And Instagram has exacted its intended effect. That is, Instagram's features—including Instagram's algorithmic recommendation systems, infinite scroll, autoplay, displays of status metrics (like numbers of "followers," "likes," and "views"), push notifications, ephemeral content, and "Reels," as described further in this Complaint—cause young people to use Instagram compulsively and excessively.
- 13. In internal studies, Meta has concluded as much.

  (Emphasis added). Likewise, in a leaked internal Meta study,

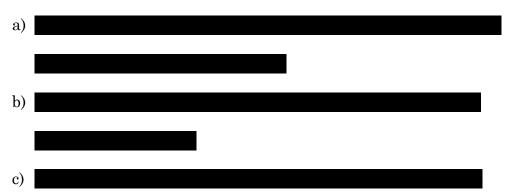
  Meta found that teens "have an addicts' narrative about their [Instagram] use....

  Teens recognize the amount of time they spend [on Instagram] isn't good for them

  but at the same time they lack the willpower to control the time spent

themselves."3 (Emphasis added).

- 14. As the U.S. Surgeon General recently explained, adolescents' attempt to resist social media is an unfair fight: "You have some of the best designers and product developers in the world who have designed these products to make sure people are maximizing the amount of time they spend on these platforms. And if we tell [an adolescent], use the force of your willpower to control how much time you're spending, you're pitting [an adolescent] against the world's greatest product designers."4
- 15. Meanwhile, Meta celebrates Instagram's meteoric growth, including among young users. In 2022, approximately 62% of U.S. teens age 13-17 used Instagram.<sup>5</sup> In Vermont, teen use of Instagram is widespread.



<sup>&</sup>lt;sup>3</sup> Teen Mental Health Deep Dive, The Wall Street Journal (Sep. 29, 2021), https://s.wsj.net/public/resources/documents/teen-mental-health-deep-dive.pdf.

<sup>&</sup>lt;sup>4</sup> Allison Gordon & Pamela Brown, Surgeon General says 13 is 'too early' to join social media,

CNN (Jan. 29, 2023), <a href="https://www.cnn.com/2023/01/29/health/surgeon-general-social-media/index.html">https://www.cnn.com/2023/01/29/health/surgeon-general-social-media/index.html</a>.

<sup>&</sup>lt;sup>5</sup> Emily A. Vogels et al., *Teens, Social Media and Technology 2022*, Pew Research Center (Aug. 10, 2022), <a href="https://www.pewresearch.org/internet/2022/08/10/teens-social-media-and-technology-2022/">https://www.pewresearch.org/internet/2022/08/10/teens-social-media-and-technology-2022/</a>.

- 16. Of critical concern to the State of Vermont: compulsive and excessive use of social media platforms like Instagram cause a wide range of harms to youth, including increased levels of anxiety and depression; reduced and interrupted sleep; increased suicidal thoughts and behaviors; and altered neurological and psychological development, including changes in brain structure similar to changes seen in individuals with addiction to substances or gambling.
- 17. Further, beyond compulsive use, Instagram routinely exposes young users to harmful content and harmful experiences. For example, Instagram exposes young users to content depicting violence, adult sexual activity, and hate speech, as well as content promoting eating disorders, self-harm, and suicide. Instagram's algorithmic recommendation system pushes some young users into increasingly distressing content—like content promoting extreme weight loss and eating disorders—precisely because, per the recommendation system's objectives, such a push results in the maximization of those young user's "engagement." Additionally, young Instagram users frequently experience negative social comparison, bullying, and unwanted sexual advances.
- 18. Instagram is disproportionately damaging to teen girls. Namely, it causes them to engage in high rates of negative social comparison, which, in turn, causes or contributes to loneliness, depression, body dissatisfaction, body

dysmorphia, eating disorders, self-harm and suicide. According to a leaked internal Meta study, "[Instagram] make[s] body image issues worse for one in three teen girls."

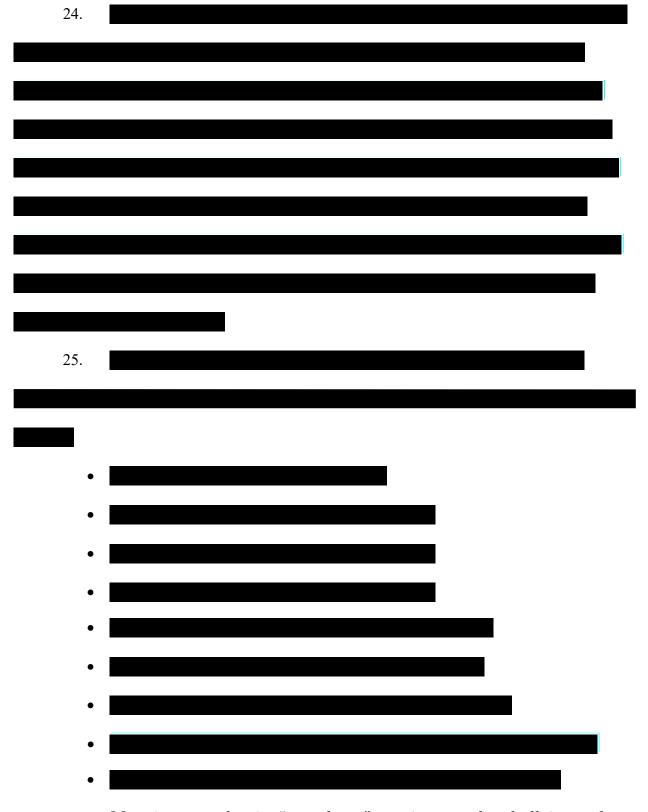
- 19. Meta is well aware of Instagram's myriad harms to youth. That is, Meta is well aware that compulsive and excessive Instagram use harms young users' mental health. Internally, Meta's has studied the topic and concluded as much. Likewise, Meta is well aware that Instagram frequently exposes young users to the kinds of harmful content and harmful experiences referenced above.

  Internally, Meta has studied the topic and concluded as much. And Meta is well aware that Instagram is uniquely damaging to teen girls. Internally, Meta has studied the topic and concluded as much.
- 20. That Meta designed and refined—and continues to design and refine—Instagram features with the goal of hooking youth to the platform when Meta has internally found that (a) these features cause compulsive and excessive platform use; (b) compulsive and excessive platform use cause youth mental health harms; and (c) Instagram exposes young users to an array of harmful content and harmful experiences otherwise, is egregious.
- 21. Meta's deception compounds the wrong. Meta tells consumers its mission is to "Giv[e] people the power to build community and bring the world closer together," not maximize ad revenue. Meta misleads consumers about the design of

<sup>&</sup>lt;sup>7</sup> Teen Mental Health Deep Dive, The Wall Street Journal (Sep. 29, 2021), https://s.wsj.net/public/resources/documents/teen-mental-health-deep-dive.pdf.

Instagram, publicly representing that Instagram is not designed to maximize young users' time spent on the platform when it is—and concealing its internal findings that belie these public representations. Meta misleads consumers about the degree to which Instagram causes young users to use the platform compulsively and excessively, publicly representing that the platform does not have this effect when it does—and concealing its internal findings that belie these public representations. Likewise, Meta misleads consumers about the degree to which, beyond causing compulsive and excessive platform use, Instagram exposes young users to harmful content and harmful experiences, saying such exposure is rare when it is frequent—and concealing its internal findings that belie these public representations.

- 22. For example: each quarter, Meta publishes a "Community Standards Enforcement Report" that purports to describe for the public the statistical "prevalence" of content on Instagram during the prior quarter that violated Meta's policies prohibiting harmful content. In one CSE Report, Meta claimed that, during the quarter in question, only "between 0.05% to 0.06% of views [on Instagram] were of content that violated [Meta's] standards against bullying & harassment." To a reasonable consumer, this assertion would have created the impression that content reflecting bullying and harassment was extremely rare on Instagram.
- 23. In reality, bullying and harassment are rampant on Instagram. However, much of it either does not violate Instagram's policies (which reasonable consumers would have no reason to know) or is not caught by Meta's artificial intelligence systems that troll for "policy violating" content.



26. Meta is aware that its "prevalence" metrics regarding bullying and harassment—along with other categories of harm—are misleading. Indeed, as

detailed in this Complaint, Meta designed "prevalence" metrics to grossly understate Instagram's true risks and harms to its users, including young users.

- 27. Meta has misled and continues to mislead consumers, in these and other respects, in order to assuage prospective and actual young Instagram users—and their parents and guardians—that Instagram is safe when—as Meta has repeatedly internally studied and found—it is not.
- 28. If Meta publicly disclosed the known risks and harms of Instagram to youth, many consumers—including young users and their parents and guardians—would likely reject the product. In that event, of course, Meta's revenue would decrease. And this, to Meta, appears an unacceptable risk. In terms of Meta's business activities and public representations relating to Instagram, the status quo remains.
  - 29. Intervention is required.
- 30. Meta's conduct constitutes unfair and deceptive acts and practices under the Vermont Consumer Protection Act. Accordingly, the Vermont Attorney General brings this action seeking to address that conduct and end it.<sup>8</sup>

#### II. PARTIES, JURISDICTION, AND VENUE

### A. <u>Plaintiff</u>

31. The Vermont Attorney General is authorized under the Vermont Consumer Protection Act, 9 V.S.A. § 2458, to sue to enforce the Act's prohibitions on

<sup>&</sup>lt;sup>8</sup> This action is timely brought pursuant to the parties' Tolling Agreement signed by Meta's counsel on July 18, 2022, which tolls all claims ripe as of December 20, 2021.

unfair and deceptive acts and practices in commerce.

- 32. The Vermont Attorney General also has the right to appear in any civil action in which the State has an interest. 3 V.S.A. § 157. The Attorney General has an interest in ensuring that entities that do business in Vermont do so in a lawful manner.
- 33. Pursuant to 9 V.S.A. § 2460, the Vermont Attorney General conducted an investigation prior to filing this complaint, including the issuance of a Civil Investigative Demand and the review of responsive documents and written responses.

#### B. Defendants

- 34. Meta Platforms, Inc., is a Delaware corporation with a principal place of business in Menlo Park, California.<sup>9</sup>
- 35. Instagram, LLC, is a Delaware limited liability company with a principal place of business in Menlo Park, California. Instagram LLC is a wholly owned subsidiary of Meta Platforms, Inc.
- 36. At all times material to this Complaint, Defendant Meta Platforms, Inc. owned and controlled Instagram LLC.
- 37. Defendants acted in concert with one another and as agents and/or principals of one another in relation to all of the conduct alleged in this Complaint.

## C. Jurisdiction and Venue

38. This Court has personal jurisdiction over Defendants because

<sup>&</sup>lt;sup>9</sup> Until October 28, 2021, Meta Platforms, Inc. was known as Facebook, Inc.

Defendants entered into contracts with Vermont consumers; obtained personal data from Vermont consumers to enable Defendants to sell businesses advertising targeted to Vermont consumers; in fact sold businesses—including Vermont businesses—advertising targeted to Vermont consumers; offered a social media service to Vermonter consumers; and engaged in unlawful practices in Vermont against Vermont consumers.

- 39. Venue in this Court is proper because Defendants do business in Chittenden County. As Vermont's most populous County, Chittenden County is likewise where the largest number of affected consumers reside.
  - 40. This action is in the public interest.

#### III. FACTUAL BACKGROUND

#### A. An Overview of Instagram

#### 1. Instagram is a Popular Social Media Platform

- 41. Meta Platforms Inc. ("Meta" or the "Company") owns, operates and controls Instagram LLC ("Instagram"), one of the most widely used social media platforms globally and in Vermont. Previously, Meta was named Facebook, Inc.—the namesake of the Company's first social media platform. Meta—then Facebook, Inc.—acquired Instagram in 2012.
- 42. Instagram's mobile application and website provide consumers—including Vermont consumers—the ability to create profiles from which they can post pictures and videos with captions ("posts"); follow other Instagram users' profiles and posts; "like" and "comment" on other Instagram users' posts; re-

distribute (or "Share") content that other Instagram users have posted; and, among other activities, communicate with other Instagram users privately through "Direct Messages."

- 43. On Instagram, consumers interact with content and other Instagram users on different "surfaces" they can toggle between. For example:
  - a) When a consumer opens the Instagram app, the "Feed" surface is displayed to them. The Feed is a scroll of content (pictures or videos with captions) posted by Instagram accounts the consumer "follows." The consumer swipes<sup>10</sup> (or scrolls<sup>11</sup>) up and down to peruse the Feed's content. As referenced above, the consumer can "like," comment on, or "share" any given post.
  - b) Above the Feed is banner constituting the "Story" surface. A

    Story is a temporary Instagram post. It is displayed for a

    maximum of twenty-four hours, then disappears. If an

    Instagram user whom the consumer follows posts a new Story,

    the consumer sees an icon indicating as much in the consumer's

    Story banner. The consumer can touch 12 (or click 13) the icon to

    view the Story, then "x" out of the Story to return to the Feed.
  - c) Below the Feed—and always visible within the Instagram

<sup>&</sup>lt;sup>10</sup> On a mobile touchscreen device.

<sup>&</sup>lt;sup>11</sup> On a computer.

<sup>&</sup>lt;sup>12</sup> On a mobile touchscreen device.

<sup>&</sup>lt;sup>13</sup> On a computer.

- app—is a banner displaying touchable (or clickable) icons to other Instagram surfaces, including the "Explore" surface and "Reels" surface.
- d) A consumer's "Explore" surface displays a scrollable collage of content from Instagram accounts the consumer does not follow.

  A consumer can swipe (or scroll) up and down to peruse the collage, and touch (or click) on any picture or video within the collage to view it fully, then touch (or click) back to the collage to continue viewing more.
- e) A consumer's "Reels" surface displays short-form videos that other Instagram users (whether or not the consumer follows them) have created. A consumer swipes up (or clicks) on a video to view the next one.
- f) And finally, though not exhaustively, by touching (or clicking) on a paper-airplane icon located above the Story banner, the consumer can access Instagram's Direct Messaging surface, where Instagram users can find and send private messages to each other.
- 44. No two consumers' experiences on Instagram are the same. Rather, the Instagram consumer experience is defined by the manner in which Meta:
  - a) Collects vast amounts of data from and regarding each
     Instagram user; and

- b) Based on this data:
  - i. Algorithmically curates and personalizes what content to display to each consumer on the consumer's Instagram
     Feed, Explore, and Reels surfaces; and
  - ii. Algorithmically curates and personalizes recommendations to each Instagram user regarding which other Instagram accounts to follow (via Explore, for example).<sup>14</sup>
- 45. Pursuant to Instagram's Terms of Use, individuals who self-attest to being over the age of twelve are permitted to use Instagram; individuals who self-attest to being twelve or under are prohibited from doing so. To create an Instagram account, a user is not required to demonstrate or verify any proof of age.
- 46. It is estimated that 22 million teens—including approximately 62% of teens age 13-17<sup>15</sup>—log onto Instagram in the U.S. each day. <sup>16</sup>

<sup>&</sup>lt;sup>14</sup> Meta algorithmically curates which ads to show Instagram users, as well. As Meta's former Chief Operating Officer Sheryl Sandberg expressed in a 2019 Meta quarterly earnings call, "[a]cross all of our platforms and formats, we're investing in [artificial intelligence] to make ads more relevant and effective. In Q4 [2018], we developed new AI ranking models to help people see ads they're more likely to be interested in." Meta, Fourth Quarter and Full Year 2018 Results Conference Call, (January 30, 2019),

 $<sup>\</sup>frac{https://s21.q4cdn.com/399680738/files/doc\_financials/2018/Q4/Q4-2018-earnings-call-transcript.pdf}{}$ 

<sup>&</sup>lt;sup>15</sup> Emily A. Vogels et al., *Teens, Social Media and Technology 2022*, Pew Research Center (Aug. 10, 2022), <a href="https://www.pewresearch.org/internet/2022/08/10/teens-social-media-and-technology-2022/">https://www.pewresearch.org/internet/2022/08/10/teens-social-media-and-technology-2022/</a>.

<sup>&</sup>lt;sup>16</sup> Many children under the age of 13 use Instagram, as well. In a March 2020 survey of U.S. adults, The Pew Research Center found that 5% of U.S. parents with children age 9-11 reported that at least one of their 9-11 year old children used

# 2. <u>Instagram Profits by Leveraging User Data to Sell</u> Targeted Advertising

- 47. Meta does not offer Instagram to consumers for free. It requires each consumer to provide substantial consideration to access the service.
- 48. Namely, Meta requires that, in order to access Instagram, each consumer must agree:
  - a) To provide Meta vast quantities of personal data; and
  - b) That Meta may use this personal data to target advertising at the consumer, among other purposes.
  - 49. Meta's revenue depends on this exchange.
- 50. To explain: In order to fully access Instagram, each consumer must create an Instagram account.
- 51. As part of the Instagram account-creation process, the consumer must agree to comply with Instagram's Terms of Use ("Instagram's Terms"). 17
- 52. Instagram's Terms purport to constitute an enforceable legal agreement between the consumer and Meta. They state: "The Instagram Platform is one of the Meta Products[] provided to you by Meta Platforms, Inc. The Instagram Terms therefore constitute an agreement between you and Meta Platforms, Inc." 18
  - 53. Under Instagram's Terms, consumers "must agree to [Meta's] Privacy

Instagram. Children's engagement with digital devices, screen time, Pew Research Center (July 28, 2020), <a href="https://www.pewresearch.org/internet/2020/07/28/childrens-engagement-with-digital-devices-screen-time/">https://www.pewresearch.org/internet/2020/07/28/childrens-engagement-with-digital-devices-screen-time/</a>.

<sup>&</sup>lt;sup>17</sup> Instagram Terms of Use, Instagram Help Center, <a href="https://help.instagram.com/581066165581870">https://help.instagram.com/581066165581870</a> (last revised July 26, 2022). <a href="last-stagram">18 Id</a>.

Policy to use Instagram."19

- 54. Pursuant to Meta's Privacy Policy, each consumer—whatever their age, presuming they self-attest to being over 12—must agree that Meta may collect data on:
  - a) The consumer's "activity [on Instagram] and information [the consumer] provide[s]" Instagram;
  - b) The consumer's "Friends, followers and other connections";
  - c) The consumer's "App, browser and device information"; and
  - d) "Information [about the consumer] from partners, vendors and other third parties."20
- 55. Specifically, with regard to the consumer's "activity [on Instagram] and information [the consumer] provide[s]" Instagram, the consumer must agree that Meta may collect data on, among other things, content the consumer creates; a consumer's "like" posts and comments; messages the consumer sends and receives, including their content; metadata about content and messages; the types of content—including ads—the consumer views and interacts with, and how the consumer interacts with them; apps and features the consumer uses and what actions the consumer takes within them; purchases or other transactions the consumer makes; and among other data, the time, frequency and duration of the consumer's activities on Meta's products.<sup>21</sup>

 $<sup>^{19}</sup>$  *Id*.

<sup>&</sup>lt;sup>20</sup> Meta Privacy Policy, Meta Privacy Center (June 15, 2023), https://privacycenter.instagram.com/policy/ <sup>21</sup> *Id*.

- 56. With regard to the consumer's "Friends, followers and other connections," the consumer must agree that Meta may collect data about the consumer's friends, followers, groups, and accounts; how the consumer interacts with them across Meta's products; which ones the consumer interacts with the most; and information on the consumer's contacts—including their names, email addresses, and phone numbers—if the consumer imports them from a device, like by syncing an address book.<sup>22</sup>
- 57. With regard to the consumer's "App, browser and device information," the consumer must agree that Meta may collect data regarding the device and software the consumer is using, including the type of device, details about its operating system, details about its hardware and software, App and file names and types, and Plugins; what the consumer is doing on their device, like whether Instagram is in the foreground or if the consumer's mouse is moving; identifiers that tell the consumer's device apart from other users; signals from the consumer's device, like GPS, Bluetooth signals, nearby Wi-Fi access points, beacons and cell towers; information the consumer has shared with Meta through device settings, like GPS location, camera access, photos and related metadata; and, among other data, information from "cookies and similar technologies." As Meta explains, "cookies" are "small text files containing a string of characters that can be placed on [the consumer's] computer or mobile device that uniquely identifies [the consumer's]

 $<sup>^{22}</sup>$  *Id*.

 $<sup>^{23}</sup>$  *Id*.

browser or device" in order "to track [the consumer's] device's browsing activity on other sites or services other than Instagram."<sup>24</sup>

- 58. Finally, with regard to "Information from partners, vendors and other third parties," each consumer must agree that Meta may collect data "from partners, measurement vendors, marketing vendors and other third parties about a variety of [the consumer's] information and activities on and off [Meta's] Products," including the consumer's device information; websites the consumer visits and cookie data; apps the consumer uses; games the consumer plays; purchases and transactions the consumer makes off of Instagram using non-Meta checkout experiences; the consumer's demographics, like their education level; the ads the consumer sees and how the consumer interacts with them; and how the consumer use Meta's partners' products and services, online or in person. <sup>25</sup>
- 59. Instagram's Terms then require the consumer to agree that Meta may target ads at the consumer based on the voluminous personal data the consumer has agreed to let Meta collect about them.
  - 60. Specifically, Instagram's Terms state:

Instead of paying to use Instagram, by using the Service covered by [Instagram's Terms], [the consumer] acknowledge[s] that [Meta] can show you add that businesses and organizations pay [Meta] to promote on and off the Meta Company Products. [Meta] use[s] [the consumer's] personal data, such as information about [the consumer's] activity and interests, to show [the consumer]

<sup>&</sup>lt;sup>24</sup> Instagram Cookies Policy, Instagram Help Center, <a href="https://help.instagram.com/1896641480634370/">https://help.instagram.com/1896641480634370/</a> (last revised Jan. 4, 2022).

<sup>&</sup>lt;sup>25</sup> Meta Privacy Policy, *supra* note 20.

ads that are more relevant to [them].26

## 61. Instagram's Terms explain:

[Meta] allow[s] advertisers to tell us... their business goal and the kind of audience they want to see their ads. [Meta] then show[s] their ad to people who might be interested. [Meta] also provide[s] advertisers with reports about the performance of their ads to help them understand how people are interacting with their content on and off Instagram. For example, [Meta] provide[s] general demographic and interest information to advertisers to help them better understand their audience.<sup>27</sup>

62. Of note, at least until August 2021, Meta empowered sellers to target advertisements at individuals under the age of eighteen ("Young People" or "Young Users") based on a wide range of personal data that Meta had extracted from, and/or obtained from third-parties regarding, those Young Users, including, but not limited to, Young Users' personal "interests, behaviors and demographics" and "[o]ffline activity."<sup>28</sup> After August 2021, Meta permitted sellers to target advertisements at Young Users based on age, gender and location.<sup>29</sup> As of February 2023, Meta permits sellers to target advertisements at Young Users based on age and location.<sup>30</sup>

<sup>&</sup>lt;sup>26</sup> Instagram Terms of Use, *supra* note 17.

<sup>27</sup> Id

<sup>&</sup>lt;sup>28</sup> About Advertising to Teens, Meta: Business Help Center, https://www.facebook.com/business/help/229435355723442 (last visited Oct. 16, 2023).

<sup>&</sup>lt;sup>29</sup> How does Instagram decide which ads to show young people?, Instagram Help Center, <a href="https://help.instagram.com/1079023176238541">https://help.instagram.com/1079023176238541</a> (last visited October 17, 2023)

<sup>&</sup>lt;sup>30</sup> Continuing to Create Age-Appropriate Ad Experiences for Teens, Meta (Jan. 10, 2023),

https://about.fb.com/news/2023/01/age-appropriate-ads-for-teens/.

- 63. In practice, Meta displays targeted advertisements to Instagram users, including Young Users, during each (or nearly each) of their Instagram sessions.

  And during each such session, Meta displays targeted advertisements to Instagram users, including Young Users, on a constant basis—often several times per minute.

  Meta displays these targeted advertisements to users across most if not all of Instagram's "surfaces."
- 64. In this manner, for Instagram users—including Young Users—viewing advertisements is likewise a defining element of the Instagram experience.
  - 3. <u>Meta's Business Model Incentivizes the Company to</u>
    <u>Maximize the Amount of Time Young Users Spend on</u>
    Instagram
- 65. Meta's dependence on advertising revenue incentivizes Meta to maximize the amount of time that consumers spend on Instagram.
- 66. The more time consumers spend on Instagram, the more "ad space" Meta has to sell. That is, if the amount of time an Instagram user spends viewing their Instagram "feed" increases from one to five hours per day, Meta can deliver roughly five times the number of advertisements to that user than it could have otherwise. As a result, Meta can sell and profit from five times the advertising opportunities.
- 67. Additionally, the more time consumers spend on Instagram, the more data Meta can harvest from consumers to better target ads at them. The more effectively Meta targets ads to consumers, the more Meta can charge sellers for

targeted advertising.31

- 68. However, in Meta's business model, Young Users are of paramount significance for several reasons:
  - a) As between social media companies, the battle for industry
    market share starts with capturing Young Users and retaining
    their engagement long-term to the detriment of competitors;
  - b) Young Users drive the spread of Instagram within their households, schools, and communities;
  - c) Instagram is, in fact, Meta's most popular application among Young People. As referenced above, in 2022, an estimated 62% of U.S. teens (aged 13-17) used Instagram.<sup>32</sup> By contrast, 32% used Facebook.<sup>33</sup> Meta is incentivized to leverage Instagram's relative popularity among teens for business growth;
  - d) Meta's advertising partners are particularly interested in targeting Young Users because they perceive Young Users as:

<sup>&</sup>lt;sup>31</sup> Indeed, according to Meta, the factors that drive the Company's ability to monetize its users' time and data to effectively deliver ads include (1) "user engagement, including time spent on [Meta's] products;" (2) increasing "user access to and engagement with [Meta's] products;" (3) Meta's ability "to maintain or increase the quantity or quality of ads shown to users;" (4) maintaining traffic to monetized features like the Feed and Stories; (5) the "effectiveness of [Meta's] ad targeting;" and (6) the degree to which users engage with Meta's ads. Meta Platforms, Inc., Annual Report (Form 10-K), for the fiscal year ended Dec. 31, 2021, at 14-16 (Feb. 2, 2022).

https://www.sec.gov/Archives/edgar/data/1326801/000132680122000018/fb-20211231.htm

<sup>&</sup>lt;sup>32</sup> Emily A. Vogels et al., *supra* note 5.

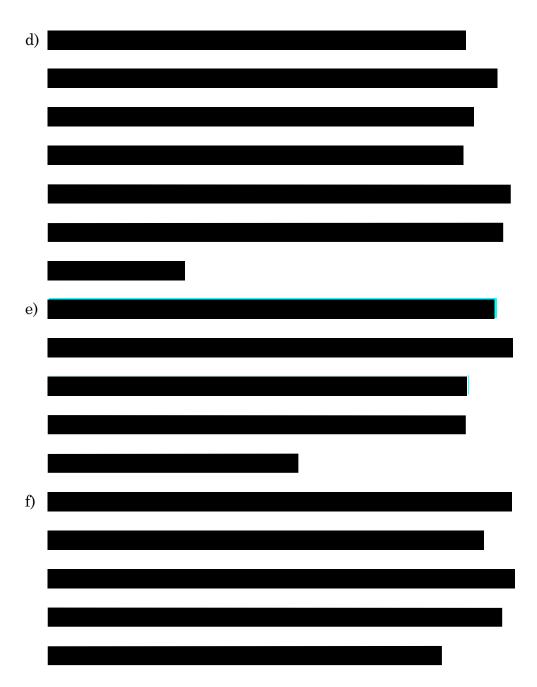
 $<sup>^{33}</sup>$  *Id*.

- (1) more likely to be influenced by advertisements, (2) potential lifelong customers of the relevant product or service, and (3) trend-setters in society;
- e) Meta's advertising partners are interested in targeting Young Users on Instagram, in particular, because of the platform's popularity among teens and Meta's historic effectiveness in targeting ads at Young Instagram Users. Of note, in a 2019 survey of 8,000 teens nationally with an average age of 16.3 years, 73% of respondents said that "Instagram was the best way for brands to reach them about new products or promotions" 34; and
- f) Meta stands to profit from its advertising partners' youthfocused sales interests.
- 69. Accordingly, throughout its corporate history, Meta has made it a business priority—if not the company's top business priority—to increase the amount of time that Young Users, in particular, spend on Instagram.<sup>35</sup>

<sup>&</sup>lt;sup>34</sup> Best Ways for a Retailer/Brand to Communicate About New Products/Promotions According to US Teens, Spring 2019 (% of respondents), Insider Intelligence (Apr. 8, 2019), <a href="https://www.insiderintelligence.com/chart/227856/best-ways-retailerbrand-communicate-about-new-productspromotions-according-us-teens-spring-2019-of-respondents">https://www.insiderintelligence.com/chart/227856/best-ways-retailerbrand-communicate-about-new-productspromotions-according-us-teens-spring-2019-of-respondents</a>

<sup>&</sup>lt;sup>35</sup> See Facebook's Effort to Attract Preteens Goes Beyond Instagram Kids, Documents Show, The Wall Street Journal (Sept. 28, 2021), <a href="https://www.wsj.com/articles/facebook-instagram-kids-tweens-attract-11632849667">https://www.wsj.com/articles/facebook-instagram-kids-tweens-attract-11632849667</a> (regarding Meta's efforts to attract pre-teens to its social media platforms, including Instagram).

For example, according to Meta's internal documents and 70. communications:



- 71. And as discussed below, Meta has, in fact, captured a disconcertingly colossal degree of time and attention from an entire generation of Young People, including in Vermont.
- 72. Ultimately, capitalizing on its ability to leverage Instagram users' personal data for advertising revenue, Meta has become one of the most profitable

companies in the world. In 2022, Meta reported earning \$116.6 billion in revenue, including \$51.4 billion in revenue from Instagram, with \$23.3 billion in net income. 98% of Meta's total revenue, that year, was advertising revenue.

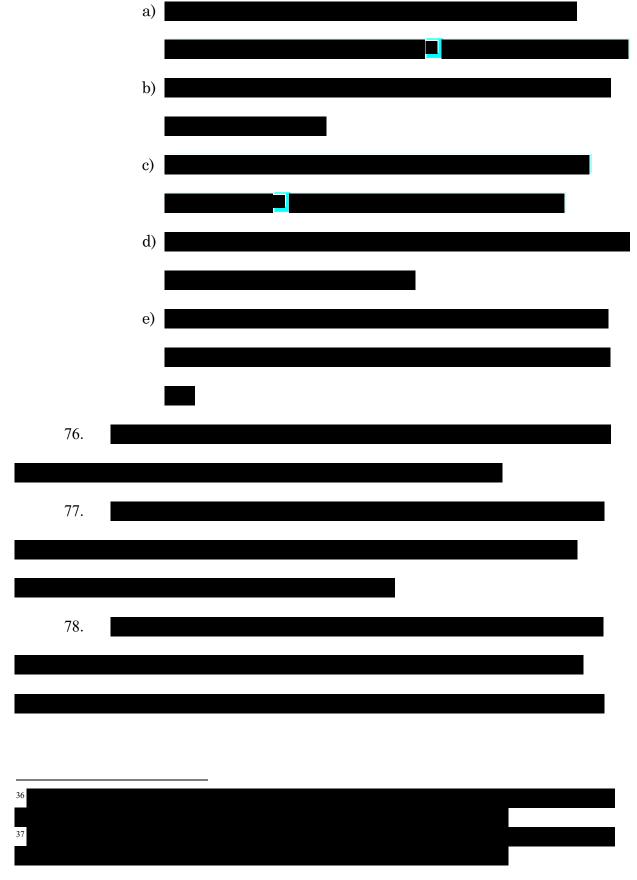
| 73.  | Because of his ownership stake in Meta, Meta's founder and CEO |  |  |  |  |  |  |
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| Mark Zuckerberg is one of the wealthiest people in the world. In addition to   |  |  |  |  |  |  |  |
| financial success, Zuckerberg's role as Meta's founder and CEO has made him an |  |  |  |  |  |  |  |
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# 4. <u>Meta Directed its Business Model at Vermont</u>

74. Instagram is widely used by Young People in Vermont. For that reason, and as described below, Meta has

sold and directed targeted ads to them (as with all Vermont Instagram users), including on behalf of Vermont businesses.

75. In terms of the scope of Young Vermonter's Instagram use,



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- 84. In any event, given Vermonters' widespread presence on Instagram,
  Meta has sold advertising on Instagram targeted to Vermonters. That is, Meta has
  sold advertising to both national businesses and Vermont businesses targeting
  Vermont markets, 38 including, upon information and belief, Vermont teens. 39
- 85. Thus, Meta not only makes Instagram available in Vermont. It also—at a minimum—has

<sup>&</sup>lt;sup>38</sup> According to Meta's public advertising library, Meta routinely sells advertisements to businesses targeting Vermont markets, including Vermont-based businesses. For example, in just the last two years, Meta sold advertising on Instagram to HireAbility Vermont (a Vermont-based job placement agency); Langway Chevrolet Volkswagen of Manchester, Vermont (a Vermont car dealership); Vermont Tire & Service (a Vermont tire dealer and mechanic); and LandVest (a real estate agency selling properties in Vermont). See Meta Ad Library, <a href="https://www.facebook.com/ads/library/?active\_status=all&ad\_type=political\_and\_iss\_ue\_ads&country=US&media\_type=all} (last visited Oct. 17, 2023).</a>

 $<sup>^{39}</sup>$  In just the last two years, Meta sold advertising on Instagram to businesses targeting Vermont teens, including Miss Vermont's Teen (a pageant for Vermont women ages 13 to 28), and North America Beauty Pageants (pageants for women age 12+). *Id.* 

sold advertisements to

Vermont entities seeking to market their businesses in Vermont. Further, Meta has entered into tens of thousands—if not hundreds of thousands—of contracts with Vermont consumers—including Young People—wherein those consumers:

- a) Have agreed, per Instagram's Terms, to provide Meta voluminous amounts of their personal data in exchange for access to Instagram;
- b) Have agreed, per Instagram's Terms, to be subjected to targeted advertising based on that personal data;
- c) Have been subjected by Meta to targeted advertising, including by Vermont sellers targeting Vermont consumers; and
- d) Have thereby enriched Meta.<sup>40</sup>

<sup>&</sup>lt;sup>40</sup> Of note, Meta provides other tools to Instagram users—including Vermont Instagram users—through which Meta and these Instagram users generate revenue. For example, Meta's "Creator Monetization Tools" allow users, including Vermont users, to make money off of the Instagram content they create. See Aisha Malik, Meta to roll out new monetization tools on Instagram and Facebook, including a creator marketplace, TechCrunch+ (June 21, 2022, 10:20 AM), https://techcrunch.com/2022/06/21/meta-new-monetization-tools-on-instagram-<u>facebook-creator-marketplace/.</u> Additionally, Meta provides tools to businesses that advertise on its platforms—including Vermont businesses and/or other business targeting Vermont markets—to enhance these business' advertising efforts. For example, Meta's "Campaign Ideas Generator" provides "campaign ideas, pre-made assets, and resources that are specific to [] small business needs." *Introducing the* Campaign Ideas Generator, Meta, https://www.facebook.com/business/news/createcontent-with-facebook-campaign-ideas-generator (last visited October 20, 2023). Finally, the Instagram Shopping surface allows businesses—including Vermont businesses—to advertise and sell goods to Instagram users—including Vermont Instagram users—who, in turn, can purchase those goods directly through the

# B. <u>Meta Designed Instagram to Keep Young Users Spending</u> Unhealthy Amounts of Time on The Platform, with Harmful Effect

86. Incentivized to maximize Young Users' time on Instagram, Meta has invested and continued to invest massive resources into

; designing Instagram

features meant to exploit Young Peoples' neurological, cognitive, and psychological vulnerabilities such that Instagram is maximally difficult—and in some cases impossible—for Young People to resist; and testing and refining potential and existing Instagram features to maximize their intended effect, in this regard. As a result, and as Meta's internal research has concluded, Instagram causes Young Users to use the platform compulsively and excessively.

87. As Meta's founding president, Sean Parker, explained in 2018:

The thought process that went into building these applications, Facebook being the first of them... was all about: 'How do we consume as much of your time and conscious attention as possible?' That means that we need to... give you a little dopamine hit every once in a while, because someone liked or commented on a photo or a post or whatever. And that's going to get you to contribute more content and that's going to get you... more likes and comments. It's a social-validation feedback loop... exactly the kind of thing that a hacker like myself would come up with, because you're exploiting a vulnerability in human psychology. The inventors, creators—me, [Meta founder] Mark [Zuckerberg], [Instagram founder] Kevin Systrom on Instagram, all of these people—understood this consciously. And we did it anyway.41

Instagram platform. Instagram Shopping helps you reach new customers, Meta, <a href="https://business.instagram.com/shopping">https://business.instagram.com/shopping</a> (last visited Oct. 16, 2023).

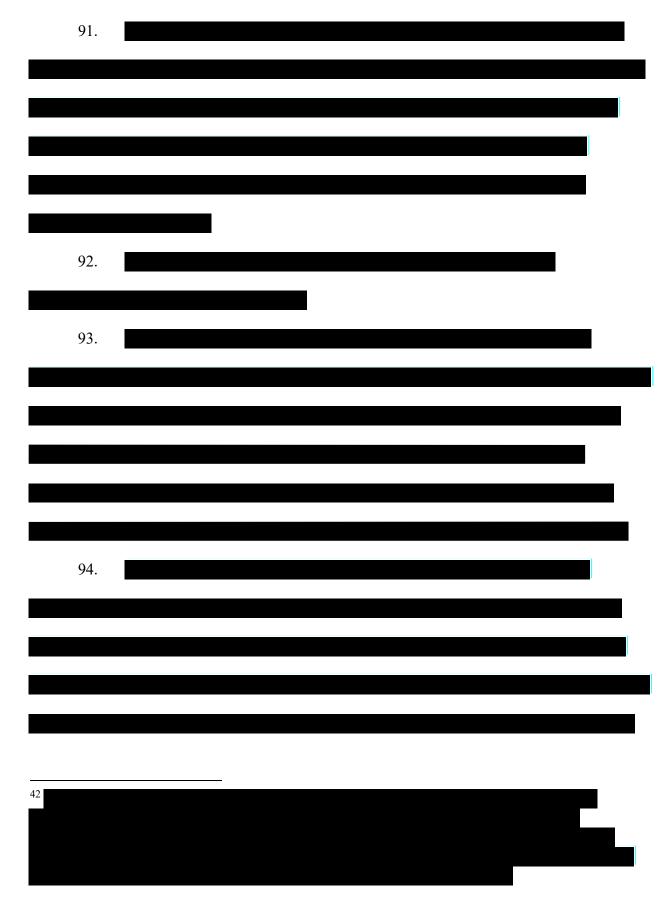
<sup>&</sup>lt;sup>41</sup> Alex Hern, 'Never get high on your own supply'- why social media bosses don't use social media, The Guardian (Jan. 23, 2018, 7:27 AM),

88. Of profound concern to the State of Vermont, compulsive and excessive Instagram use causes Young Users serious mental health harms. Meta's internal research has concluded as much. Further, beyond compulsive use, Instagram exposes Young Users to an array of harmful content and harmful experiences. Meta's internal research has concluded the same. Despite Instagram's serious risks and harms to Young Users, Meta maintains the platform's focus on increasing Young User engagement in the name of ad revenue,

1. 89.

90. Meta aims to maximize Young Users time on Instagram bottom up (i.e., through designing a platform that is likely to cause compulsive and excessive Instagram use) and top-down (i.e., by testing and refining the platform to perfect and exact the intended effect).

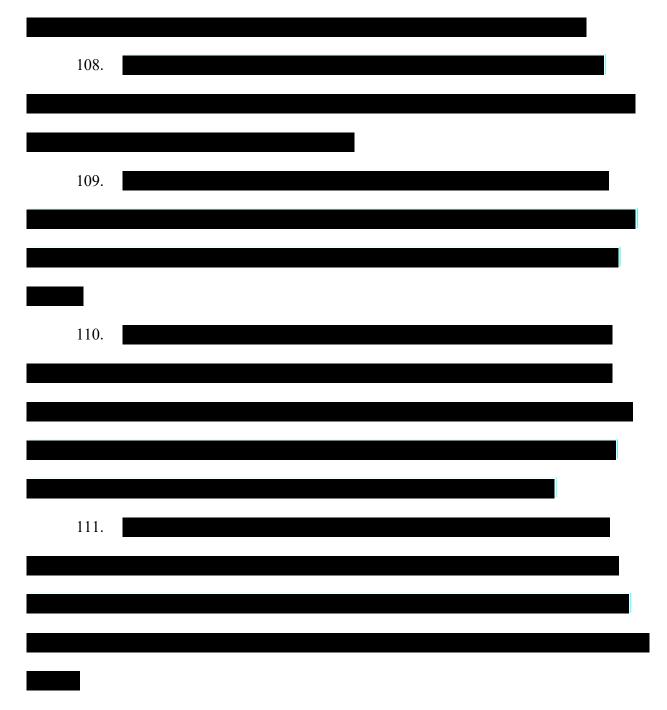
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- 2. <u>Meta Tests and Re-tests Proposed Instagram Features</u> and Modifications on Users to Perfect Instagram's Intended <u>Effect</u>
- 112. Once Meta translates its business goals and user research into a proposed Instagram feature or proposed modification to an existing Instagram

feature, Meta then expends substantial resources *testing* the proposed feature or modification on Instagram users—including testing multiple potential versions of a given proposed feature or modification on Instagram users—to obtain a data-driven understanding of the feature or modification's effect on Instagram users' behavior.

- 113. In evaluating whether to launch certain potential Instagram features or modifications, Meta prioritizes whether the feature or modification, as dataproven through this real-world testing, causes Instagram users increased engagement with the platform.
- 114. A primary way in which Meta tests the efficacy of a proposed Instagram feature or modification, in this regard, is A/B Testing.
- 115. In A/B Testing, Meta assigns a group of Instagram users (by the thousands) the ability to see and use a proposed Instagram feature or modification to an existing Instagram feature. Or it assigns different groups of Instagram users the ability to see and use different versions of a proposed feature or modification.
- 116. Meta then tracks the relative impact of the feature or modification (or versions of the same) on the behavior of the test-group(s) to assess, among other key metrics, whether and to what extent the feature/modification causes the test-group(s)—among other behaviors—increased engagement with, or time spent on, Instagram.
- 117. Meta might refine and re-test a proposed feature or modification to optimize results in this regard.

118.

119. Ultimately, through this iterative process of research, development, testing, and refining potential Instagram features, Meta possesses and implements the capability to generate Instagram features that cause users—including Young Users—to spend more time on Instagram than they would if Instagram were not systematically working to override their cognitive ability to self-regulate.<sup>43</sup>

## 3. <u>Meta Launched and Maintains Instagram Features</u> <u>Designed to Induce Compulsive and Excessive Instagram Use</u>

120. Indeed, Meta has launched and maintains an array of Instagram features designed to cause Young People to use Instagram compulsively and excessively. These features—described below—include, but are not limited to, algorithmic recommendations systems, infinite scroll, status counts, push notifications, ephemeral content, auto-play, and Reels.

#### a) Algorithmic Recommendation System

121. Meta uses a complex algorithmic recommendation system driven by artificial intelligence and machine learning models to transform vast constellations of personal data about each Instagram user into nuanced predictions regarding which Instagram content—and which order of presentation of Instagram content—would cause each such user to spend the most amount of time on Instagram.

Instagram then presents—or "recommends"—that content and those accounts to the

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<sup>&</sup>lt;sup>43</sup> Meta continues to test and refine Instagram features after their launch in order to maximize Instagram users' "engagement" and time spent on the platform.

Instagram user in that particular order.

- and account recommendations (like whether the user views a piece of content, for how long the user "hovers" over the content, whether the user "likes," comments on, or "Shares" the content, etc.) and then incorporates those data points, among others, into future content recommendations to that user. In this manner, Meta constantly measures and refines its understanding of what makes a given user's brain tick, and constantly improves the efficacy of its efforts to capture more and more of that user's time and attention.
- 123. Meta's so-called "Algorithmic Recommendation System" drives the delivery of content across Instagram's surfaces, including the primary feed, Explorer, Stories, and Reels.
- 124. Of note: Meta's Algorithmic Recommendation System is generally agnostic as to the kind of content that should be displayed to a given user; what gets displayed to a Young User on Instagram is the content most likely to maximize the Young User's time on the platform.

### b) Infinite Scroll & Autoplay

- 125. Meta also designed Instagram to lure Young Users into indefinite, passive platform use.
- 126. For example, Meta designed several of its key surfaces to present as "infinite scrolls." That is, upon opening Instagram, the user is displayed an opening piece of Feed content—a picture or a video selected by Meta's Algorithmic

Recommendation System—and, just below it, the top sliver of the next piece of content—a concurrent teaser of content (i.e., and potential dopamine rewards) to come and trigger for the "fear of missing out."

- 127. As the Instagram user scrolls down the feed, the first piece of content displayed slides upward and out of view; the next piece of content slides upward into full view; and, just below the newly visible piece of content, the top sliver of the next piece of content reveals itself, pulling the user onward.
- 128. The user can scroll downward in this manner indefinitely—hence the term "infinite scrolling." There is no end to the content queue.
- 129. Likewise, when a user opens Instagram's "Explore" surface, they are displayed a collage of pictures interspersed with videos already playing. The bottom of the collage is a row of only partially viewable pictures and videos—again, a teaser of content to come and trigger for the fear of missing out.
- 130. As the Instagram user scrolls down the "Explore" surface, an endless collage of pictures and videos slides by. If the user pauses scrolling, the collage teases a final row of partially viewable pictures and videos, always pulling the user onward.
- 131. Instagram's infinite scroll format makes it difficult for Young People to disengage from Instagram. First, with no natural end point to the display of new content, a Young Person must rely on their ability to self-regulate to stop their downward scrolling—a cognitive ability that, is undeveloped and biologically weak relative to the Young Person's neurological drive to seek



- 132. For a Young User, as Meta knows, scrolling through algorithmically curated content without end produces similar dopamine rewards as slot machine use. In both cases, the user stays at the machine, hoping each pull (or swipe) will be "the one." Rewards come unpredictably. This "variable reward schedule" makes each pull (or swipe) satisfying; the anticipation of a possible reward is inherently sustaining. When the reward comes, the brain releases dopamine; the promise of passive Instagram use is vindicated; the user pulls (or swipes) again.
- 133. As explained by researchers Rasan Burhan and Jalal Moradzadeh, the variable reinforcement schedules baked into social media platforms like Instagram can lead to "addiction with dopamine implicated":

[T]he user can be kept in a loop. Essentially, that's how the social media apps exploit these innate systems. The way this comes about is through... Variable Reward Schedules. This works by positive stimuli being provided at random internals. By users checking their phones for notifications and updates at periodic intervals for something that could be intrinsically rewarding. Most of the time it's a neutral stimuli, but on occasion there may be a positive stimuli leading to the rewarding dopamine release hence keeping the user in the feedback loop. 44

134. Like with "infinite scrolling," Meta also deploys an "autoplay" feature to lure Young People into passive Instagram use. To explain: on Instagram, when a user encounters a video—whether in the primary Feed, Explorer, Reels, or Stories—

<sup>&</sup>lt;sup>44</sup> Rasan Burhan and Jalal Moradzadeh, *Neurotransmitter Dopamine (DA) and its Role in the Development of Social Media Addiction*, 11 J. of Neurology & Neurophysiology 507 (2020), available at <a href="https://www.iomcworld.org/open-access/neurotransmitter-dopamine-da-and-its-role-in-the-development-of-social-media-addiction.pdf">https://www.iomcworld.org/open-access/neurotransmitter-dopamine-da-and-its-role-in-the-development-of-social-media-addiction.pdf</a>, at pg. 1-2.

the video automatically starts playing without any prompt by the user. This feature captures the Young User's attention before the Young User has the chance to decide to direct their attention elsewhere. Through this feature, Meta seeks to short-circuit the Young User's ability to self-regulate.

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## c) Status Counts and Push Notifications

- 136. Meta also deploys an array of features designed to cause Young Users to continuously return to their Instagram accounts.
- 137. For example, after an Instagram user posts a piece of content, they can track—on a numerical counter—how many Instagram users have "view[ed]" the post. Similarly, they can track on a numerical counter how many Instagram users have "like[d]" the post. Likewise, after an Instagram user comments on a post,

<sup>&</sup>lt;sup>45</sup> Similarly, each Instagram user can track, on a numerical counter, how many "Followers" they have and how many "Followers" other Instagram users have and are thereby incentivized to continuously monitor their "Followers" count to assess their social status, including as compared to peers.

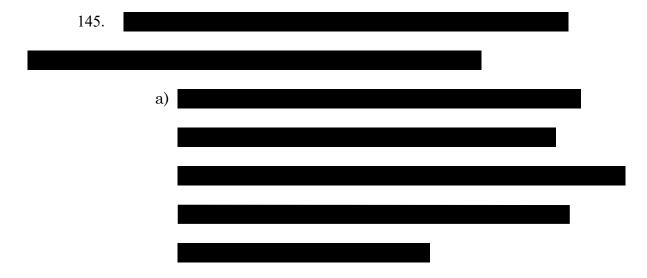
other Instagram users can "like" the comment or "reply" to it. Beneath the comment, a correlating "like" count is displayed.

- 138. Meta designed these popularity metrics to cause Young Users to constantly check their posts' (and comments') success in obtaining "views" and "likes." In this manner, Meta preyed and preys on Young Users' biological and psychological drive to seek reward vis-à-vis peer approval.
- 139. When Young Users exit the Instagram platform, Meta sends them rampant "push notifications" that prey on this same drive—and the fear of missing out—to bring them back.
- 140. A "push notification" is an alert to a Young User that an event has occurred on Instagram of potential relevance to them. Instagram sends Young Users a "push notification" when another user follows them, likes their content, comments on their content, "tags" them, mentions them, sends them a message, or "goes live" (if the Young Person follows the user).
- 141. Meta inundates Young People with auditory and visual Instagram "push notifications" at all times of day and night—whenever the relevant trigger occurs.
- 142. According to a January 2023 study of iOS users in the United States, mobile users between 16 and 25 received an average of 109 Instagram notifications per week.<sup>46</sup>

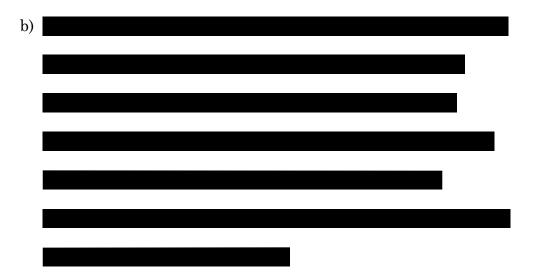
<sup>&</sup>lt;sup>46</sup> L. Ceci, Average weekly notifications received by Gen Z mobile users in the United States from selected social apps as of January 2023, Statista (Apr. 18, 2023), https://www.statista.com/statistics/1245420/us-notifications-to-social-app-ios-users/

- 143. As noted above, several kinds of push notifications prey on Young Users' biological and psychological drive for peer approval (like those indicating another user has followed them, liked their content, tagged them, or mentioned them). And several prey on Young Users' biologically rooted fear of missing out (like those indicating that someone has sent them a message or "gone live," as discussed further below).
- 144. Echoing Meta's "Teen Fundamentals" research, academics have observed that these push notifications impact the brain in similar ways as narcotic stimulants:

Although not as intense as hit of cocaine, positive social stimuli will similarly result in a release of dopamine, reinforcing whatever behavior preceded it ... Every notification, whether it's a text message, a "like" on Instagram, or a Facebook notification, has the potential to be a positive social stimulus and dopamine influx.<sup>47</sup>



<sup>&</sup>lt;sup>47</sup> Trevor Haynes, *Dopamine*, *Smartphones & You: A battle for your time*, Science in the News (May 1, 2018), <a href="https://sitn.hms.harvard.edu/flash/2018/dopamine-smartphones-battle-time/">https://sitn.hms.harvard.edu/flash/2018/dopamine-smartphones-battle-time/</a>



146. Of course, Meta continues to rampantly issue push notifications to Young Instagram Users precisely *because* it increases Young Users' time on the platform.

### d) Ephemeral Content

- developmentally wired to fear missing out on social occurrences among their peers.

  Meta therefore makes certain Instagram content fleeting in its viewability—or,

  "ephemeral"—in order to cause Young Users to fear missing out on that content and
  thus assiduously monitor Instagram and Instagram notifications so as to not miss
  out on it.
- 148. For example, Instagram's "Stories" surface displays posts (pictures or videos with captions) created by an Instagram user the consumer follows. Meta encourages users that Stories should be "fast, memorable and fun." As soon as an Instagram user posts a Story, two things occur. First, Instagram users who follow the Story-creator are notified of the new Story (through an icon that appears in a

bar across the top of their home Feed and/or a push notification). Second, the clock starts ticking on the Story's viewability. By Meta's design, Stories exist for a maximum of twenty-four hours then disappear.<sup>48</sup>

- 149. Because Stories delete within 24 hours, Young People must constantly monitor their Stories surface—and/or respond to push notifications of new Stories by their peers—to keep up with Stories created by the accounts they follow—i.e., to assuage their fear of missing out.
- 150. Instagram's "Live" feature has similar effect. Through Instagram "Live," an Instagram user can film and contemporaneously livestream videos to their followers or the public. After a livestream event, the video in question is generally deleted. 49 Instagram users are sent push notifications when another Instagram user they follow goes "live." The notification reads: "[@user] started a live video. Watch it before it ends!"
- 151. Thus, a Young User's failure to quickly join a livestream as soon as it begins means that the Young Person will miss out on the chance to view the content entirely. Thus, Instagram "live," by design, triggers Young Users' "fear of missing out."

<sup>&</sup>lt;sup>48</sup> See Introducing Instagram Stories, Instagram (Aug. 02, 2016), <a href="https://about.instagram.com/blog/announcements/introducing-instagram-stories">https://about.instagram.com/blog/announcements/introducing-instagram-stories</a>; Josh Constine, Instagram launches "Stories," a Snapchatty feature for imperfect sharing, TechCrunch+ (Aug. 2, 2016, 10:00 AM), <a href="https://techcrunch.com/2016/08/02/instagram-stories/">https://techcrunch.com/2016/08/02/instagram-stories/</a>

<sup>&</sup>lt;sup>49</sup> Live, Instagram Help Center: Instagram Features, https://help.instagram.com/272122157758915/?helpref=hc\_fnav (last visited on Oct. 16, 2023).

- 152. Meta's internal documents reflect Meta's knowledge that Instagram's ephemeral features drive compulsive Instagram use.
- 153. For example, an October 2019 internal Meta presentation entitled "Teen Mental Health Deep Dive" discussed the findings of a survey by Meta of over 2,500 teenagers who use Instagram on at least a monthly basis.
- 154. The presentation stated that, according to the survey, "[y]oung people are acutely aware that Instagram can be bad for their mental health, **yet are compelled to spend time on the app for fear of missing out** on cultural and social trends." (Emphasis added).

| 155. | But Meta continues to leverage this fear for profit. |
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#### e) Reels

156. Some Instagram features—like Reels—combine elements (and reflect the user-engagement strategies) of multiple of the above-mentioned features to maximally capture Young Users' time and attention.

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- 158. Upon opening the Reels surface, a short video begins playing with no prompt by the user. (Here, "autoplay" is deployed.)
- 159. The video has been curated for the user (as most likely to engage the user) by Meta's sophisticated Algorithmic Recommendation System.
- 160. When the user swipes the video upward and out of sight, the next short video slides upward to center-screen and, like the first video, commences playing automatically. An endless queue of videos awaits. ("Infinite scroll" is deployed.)
- 161. If the user does not like a particular video, they swipe it away soon after it begins. Meta's Algorithmic Recommendation System notes as much and course-corrects, constantly building and refining data-driven predictions on what will engage the given user the most and delivering content accordingly.<sup>50</sup>
- 162. Reels is performing its intended function. In Meta's Q1 2023 quarterly earnings call, Zuckerberg celebrated that, since Meta launched Reels in August 2020, "time spent" on Instagram has grown more than 24%.<sup>51</sup>
- 163. The above-described Instagram features are just a sample of the features Meta has developed and deployed in its efforts to induce Young People to

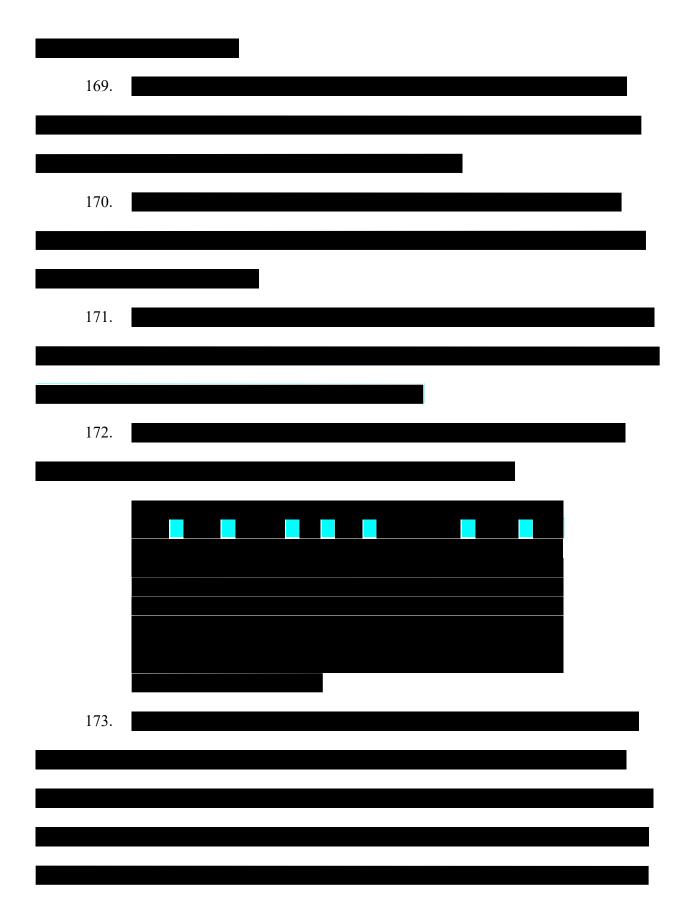
<sup>&</sup>lt;sup>50</sup> Of note, "Reels" displays each video's "like" counts, comments, and number of views within the frame of the video itself to maximize the extent to which the user's eyes are on the video itself—that is, to facilitate endless, passive viewing.

<sup>&</sup>lt;sup>51</sup> Transcript of Meta's First Quarter 2023 Results Conference Call (Apr. 26, 2023), https://s21.q4cdn.com/399680738/files/doc\_financials/2023/q1/META-Q1-2023-Earnings-Call-Transcript.pdf

use Instagram compulsively and excessively.

- 4. <u>Instagram's Features In Fact Induce Widespread</u>
  <u>Compulsive and Excessive Use Among Young Users, As Meta's</u>
  Internal Research Found
- 164. Internally, Meta has found that its design choices cause Young People to use Instagram at alarming rates; that Young People want to decrease their time on Instagram; but that Instagram's features are overpowering Young Peoples' desire to stop using the application. Meta has found, in other words, that Instagram was and is causing Young Users to use the platform compulsively and excessively.

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<sup>52 &</sup>quot;Problematic use" is Meta's euphemism for compulsive and excessive use of Meta's social media platforms, including Instagram.

| 187. | 5. <u>Compulsive and Excessive Instagram Use Causes Young Users Harm, As Meta's Internal Research Found</u> |
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- 189. Meta's internal findings were and are buttressed by mounting academic studies concluding that compulsive and excessive social media usage harms Young People—and by a recent U.S. Surgeon General Advisory regarding this precise topic that relied, in part, on these mounting studies.
- 190. In May 2023, the U.S. Surgeon General issued an Advisory titled "Social Media and Youth Mental Health" regarding the harms to Young People of compulsive and excessive social media usage (the "Advisory").<sup>53</sup>
- 191. As the Advisory explains, "[a] Surgeon General's advisory is a public statement that calls the American people's attention to an urgent public health issue... Advisories are reserved for significant public health challenges that require the nation's immediate awareness and action."<sup>54</sup>
- 192. According to the Surgeon General, the "effects of social media on youth mental health" is one such significant public health challenge. Within that context, according to the Surgeon General, "[s]cientific evidence suggests that harmful content exposure as well as excessive and problematic social media use are

<sup>&</sup>lt;sup>53</sup> U.S. Dep't of Health & Hum. Servs., *Social Media and Youth Mental Health: The U.S. Surgeon General's Advisory* (2023), https://www.hhs.gov/sites/default/files/sg-youth-mental-health-social-media-advisory.pdf <sup>54</sup> *Id.* at 3.

### primary areas for concern."55

- 193. "According to one recent model," the Advisory stated, "nearly a third (31%) of social media use may be attributable to self-control challenges magnified by habit formation."<sup>56</sup> The Advisory points to "Push notifications, autoplay, infinite scroll, quantifying and displaying popularity (i.e., 'likes'), and algorithms that leverage user data to serve content recommendations" as "some examples of these features that maximize engagement."<sup>57</sup>
- 194. Referring to an array of academic studies, the Advisory described several of the harms that social media platforms cause Young Users by inducing their compulsive and excessive platform usage.<sup>58</sup>
- 195. It stated, "[e]xcessive and problematic social media use, such as compulsive or uncontrollable use, has been linked to sleep problems, attention problems, and feelings of exclusion among adolescents," with "sleep [being] essential for the healthy development of adolescents." 59
- 196. Elaborating on the negative health impacts of sleep disruption alone, the Advisory stated:

A systematic review of 42 studies on the effects of excessive social media use found a consistent relationship between social media use and poor sleep quality, reduced sleep duration, sleep difficulties, and depression among youth. Poor sleep has been linked to altered neurological development in adolescent brains, depressive symptoms,

<sup>&</sup>lt;sup>55</sup> *Id*. at 8.

<sup>&</sup>lt;sup>56</sup> *Id*. at 9.

<sup>&</sup>lt;sup>57</sup> *Id*.

<sup>&</sup>lt;sup>58</sup> *Id*. at 9-10.

 $<sup>^{59}</sup>$  *Id*.

and suicidal thoughts and behaviors.60

197. Further, according to the Advisory, compulsive social media use causes "changes in brain structure similar to changes seen in individuals with substance use or gambling addictions" and "altered neurological development." The Advisory notes that compulsive social media use has likewise been associated with "attention deficit/hyperactivity disorder (ADHD)" and "depression, anxiety and neuroticism." 62

198. However, despite Meta's internal findings that Instagram's design causes Young Users to use the platform compulsively and excessively, and despite Meta's internal findings that compulsive and excessive Instagram use harms Young Users, Meta has failed to undertake any meaningful effort to remediate Instagram to prevent or reduce these serious harms. For Meta to do so would require that Meta overhaul its fundamental business design.

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200. Thus, Meta continues to exact harms on Young Users for profit.

<sup>60</sup> *Id*.

<sup>&</sup>lt;sup>61</sup> *Id*. at 9.

<sup>&</sup>lt;sup>62</sup> *Id*. at 10.

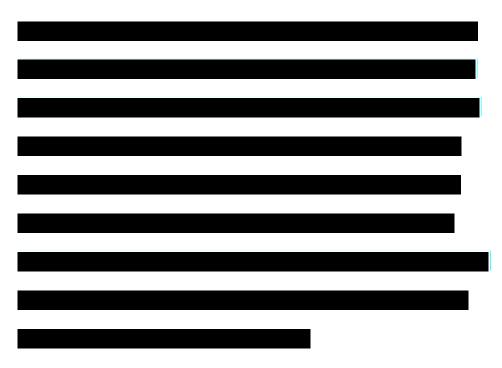
# 6. <u>Further, Instagram Causes Young Users Serious Harms</u> <u>Beyond Compulsive & Excessive Use, As Meta's Internal</u> <u>Research Found</u>

201. For years, Meta has internally researched the nature and extent of Instagram's harms to Young Users beyond compulsive and excessive platform usage. And, for years, Meta has internally concluded that, beyond compulsive platform usage, Instagram harms Young Users—and particularly young women—in a multiplicity of serious ways.

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209. After 2018, Meta continued to study and confirm the various ways in which Instagram use harms its Young Users. For instance, Meta's research concluded that Instagram caused or contributed to:

a) Mental Health Harms.



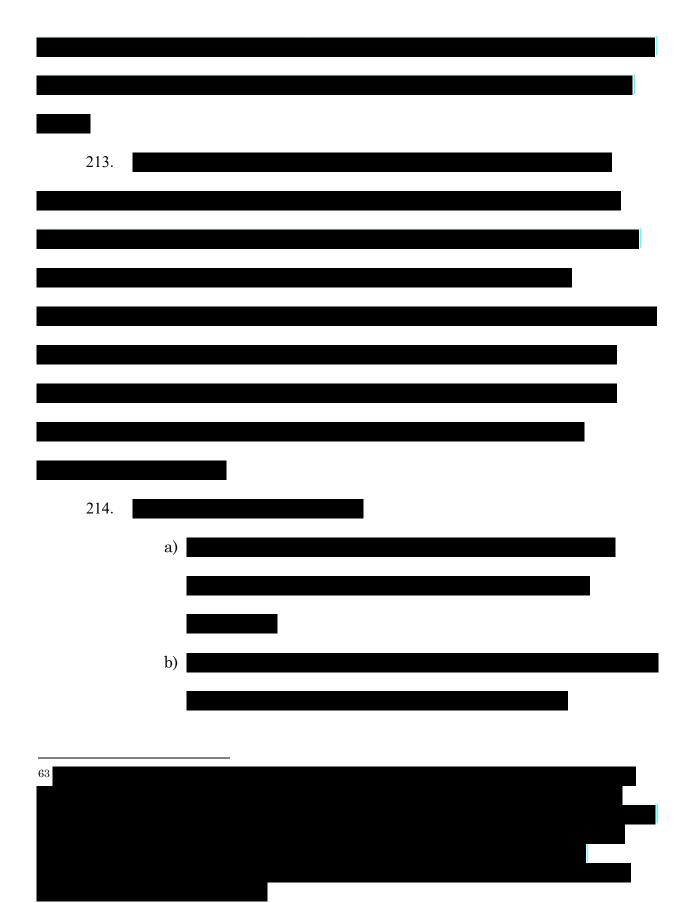
- b) Negative Social Comparison.
  - i. For example, an October 2019 internal study by Meta found that:
    - a. Of teens who felt unattractive, 41% said the feeling started on Instagram;
    - b. Of teens who felt they did not have enough friends,32% said the feeling started on Instagram;
    - c. Of teens who felt alone or lonely, 21% said the feeling started on Instagram;
    - d. Of teens who felt they were not good enough, 24%
       said the feeling started on Instagram;
    - e. Of teens who wanted to hurt themselves, 9% said the feeling started on Instagram; and

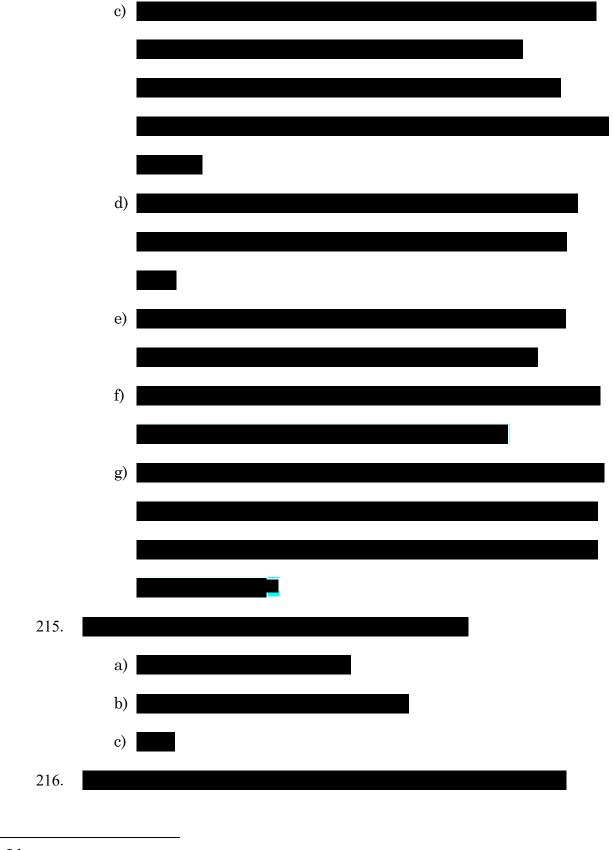
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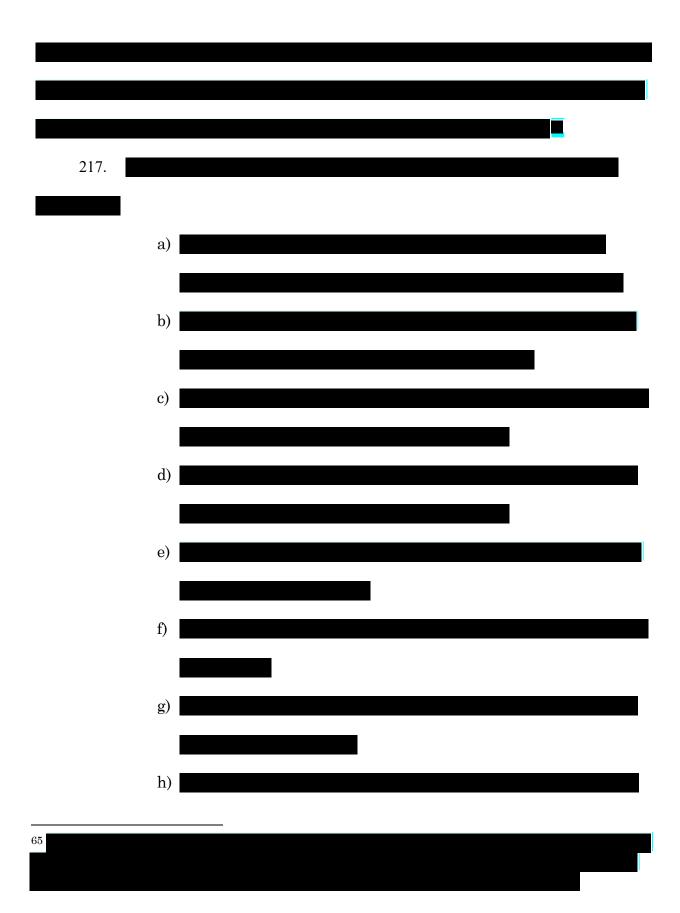
f. Of teens who wanted to kill themselves, 6% said

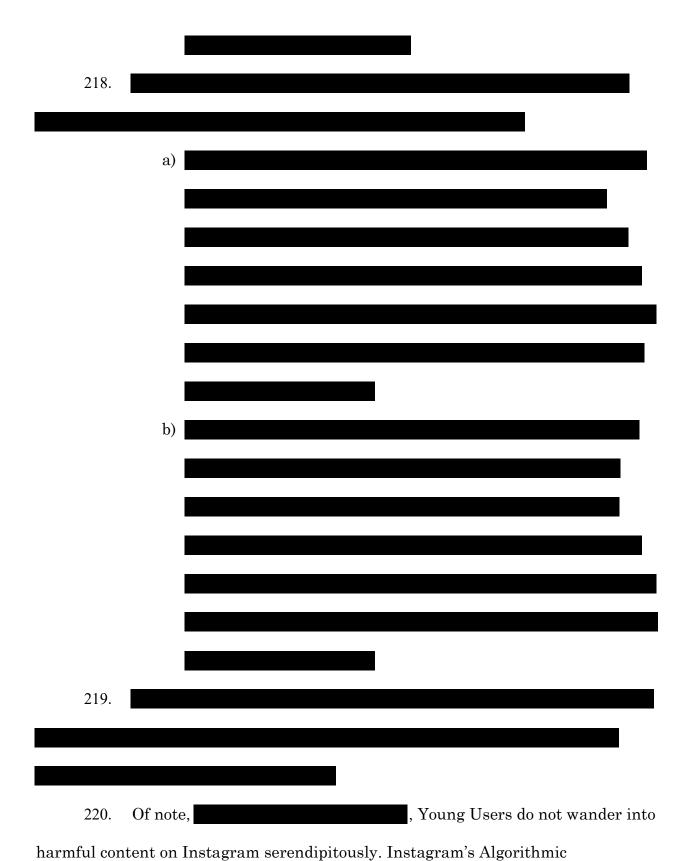
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- 211. Likewise, in a March 2020 internal study, Meta found that:
  - a) **66% of teen girls** on Instagram experience negative social comparison, compared to 40% of teen boys;
  - b) 32% of teen girls said that "when they felt bad about their bodies, Instagram made them feel worse";
  - c) For teen girls, negative social comparison is a "spiral" that "mimics stages of grief," causing an individual to cycle through "Bargaining" (i.e. questioning why they are not a certain way and wondering what they need to do to be that certain way); "Insecurity" (i.e., feeling "less than"); "Dysmorphia" (i.e., obsessively self-criticizing through an unfair "magnifying glass"); "Anger" (at their circumstances); "Paralysis" (i.e., being unable to change the status quo in that moment); and "Withdrawal (i.e., "giving up");
  - d) For teen girls, Instagram features create the "perfect storm" for negative social comparison; and that
  - e) For teen girls, the "[m]ental health outcomes related to"
    negative social comparison can be **severe**," including body
    dissatisfaction, body dysmorphia, eating disorders, loneliness,
    and depression. (Emphases added).









Recommendation System proactively and gradually pushes many Young Users to increasingly distressing content because, per this System's objectives, this proactive, gradual push maximizes these young users' "engagement" with the platform. For this reason, Instagram can take girls who seek information on weight loss and push them into and down dark holes of content ultimately promoting extreme weight loss and eating disorders. 67

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222. Given Meta's internal findings that Instagram exposes Young Users to an array of harmful content and harmful experiences, it is all the more egregious that Meta designs and maintains Instagram and its features such that, as Meta has

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<sup>67</sup> See, e.g., 'Thinstagram': Instagram's algorithm fuels eating disorder epidemic, Tech Transparency Project (December 8, 2021),

https://www.techtransparencyproject.org/articles/thinstagram-instagrams-algorithm-fuels-eating-disorder-epidemic; see also Designing for Disorder:
Instagram's Pro-eating Disorder Bubble, Fairplay (Apr. 14, 2022),
https://fairplayforkids.org/wp-content/uploads/2022/04/designing\_for\_disorder.pdf

found, Instagram causes Young Users to use the platform compulsively and excessively.

| <b>7.</b> |              |              |             |       |       |
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| Meta      | Has Declined | to Remediate | Instagram's | Known | Harms |

| 223.         | As described above, Meta employees were and are aware that a critical |
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| mass of inte | ernal and external research demonstrated and demonstrates that        |
| Instagram l  | narms users, including Young Users.                                   |
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 $<sup>^{68}</sup>$  Historically, Meta has couched its work or initiatives regarding user health and safety as "Well Being" work or initiatives.

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257. Rather, at every turn, Meta has continued its efforts to maximize the amount of time that Young Users spend on Instagram.

# C. <u>Meta Engages in Deceptive Conduct By Mispresenting and Omitting the Nature and Extent to Which Instagram Harms Young Users</u>

- 258. For years, Meta has deceptively led Vermont consumers—including prospective and actual Young Users of Instagram and their parents and guardians—to believe that Instagram is a safe social media platform for Young People. It has promoted misleading messages and metrics about the incidence of harms to Young Users on the platform. Before U.S. Congress, it has downplayed the meaning of leaked internal Meta research on Instagram's harms to youth and teen girls, in particular; deceptively testified that Instagram is safe and provides age-appropriate experiences; and deceptively testified that Instagram does not cause compulsive and excessive platform use.
- 259. In the meantime, Meta has failed to disclose to consumers its internal findings that Instagram causes compulsive and excessive platform use; that such use causes Young Users harms; and that, beyond compulsive and excessive platform use, Instagram exposes Young Users to harmful content and harmful experiences.

260. Just as Meta maintains a deceptive public narrative about Instagram's impact on Young Users' health generally, it maintains deceptive public narratives about the impact of individual Instagram features on Young Users' health.

261. Meta's misrepresentations and omissions are designed to assuage consumers—including Young Users and their parents and guardians—that Meta is safe for Young Users when Meta knows—from its own internal research—that it is not.

# 1. <u>Meta Promoted Misleading Messages and Metrics About</u> the Incidence of Harm on Instagram

- 262. For years, Meta has made affirmative misrepresentations to consumers to create the public impression—and to assuage Young Users' parents and guardians—that Instagram is a safe platform on which harmful content and harmful experiences are rarely encountered. These representations contradicted Meta's internal data that Instagram users frequently encounter a wide range of harmful content and experiences on the platform.
  - 263. Specifically, Meta has deceptively publicly broadcasted that Instagram

was safe for Young Users through its "Transparency Center," <sup>69</sup> "Policies," <sup>70</sup> and "Community Standard Enforcement Reports." <sup>71</sup>

- 264. On its website, Meta maintains a Transparency Center to inform consumers of its Policies and to provide consumers quarterly Community Standard Enforcement Reports.<sup>72</sup>
- 265. Meta's Policies define what content "is and is not allowed on Meta technologies [including Instagram]."<sup>73</sup> Specifically, Meta's Policies define and (theoretically) prohibit each of the following categories of content, among several others:
  - a) "Violent and Graphic Content";
  - b) Content that encourages "Suicide and Self-Injury";
  - c) "Bullying and Harassment";
  - d) "Adult Nudity and Sexual Activity"; and
  - e) "Hate Speech."74
- 266. On a quarterly basis, Meta publishes Community Standard
  Enforcement Reports ("CSE Reports"), which, as described by Meta, "report on how

<sup>&</sup>lt;sup>69</sup> Meta Transparency Center, <a href="https://transparency.fb.com/">https://transparency.fb.com/</a> (last visited Oct. 17, 2023).

<sup>&</sup>lt;sup>70</sup> Meta Policies, Meta Transparency Center: Policies, <a href="https://transparency.fb.com/policies/">https://transparency.fb.com/policies/</a> (last visited Oct. 17, 2023).

<sup>&</sup>lt;sup>71</sup> Meta Transparency Reports, Meta Transparency Center: Reports, https://transparency.fb.com/reports (last visited Oct. 17, 2023).

<sup>&</sup>lt;sup>72</sup> Meta Transparency Center, *supra* note 69.

 $<sup>^{73}</sup>$  Meta Policies, supra note 70.

 $<sup>^{74}</sup>$  Id.

well we're doing at enforcing our policies on... Instagram."<sup>75</sup> When Meta publishes a new CSE Report on its Transparency Center each quarter, it publicizes the new report through a press release, as well.

- 267. Meta's Transparency Center, Polices, and CSE Reports all create the impression that Instagram is a safe environment for Young Users. For example:
  - a) The Transparency Center States that "At Meta, we're committed to giving people a voice and keeping them safe....

    This means we remove harmful content that goes against our policies...." The states are the safe of the s
  - b) Meta's Policies state in no uncertain terms that, if a piece of Instagram content falls into a category of prohibited content, "we remove [it]."<sup>78</sup>

<sup>&</sup>lt;sup>75</sup> Meta Transparency Reports, *supra* note 71.

<sup>&</sup>lt;sup>76</sup> Meta Transparency Center, *supra* note 69.

<sup>&</sup>lt;sup>77</sup> Meta Policies, *supra* note 70.

<sup>78</sup> See Violent and Graphic Content, Meta Transparency Center: Policies, https://transparency.fb.com/policies/community-standards/violent-graphic-content/ (last visited Oct. 17, 2023) ("We remove content that is particularly violent or graphic."); Suicide and Self Injury, Meta Transparency Center: Policies, https://transparency.fb.com/policies/community-standards/suicide-self-injury/ (last visited Oct. 17, 2023) ("We remove any content that encourages suicide or self-injury, including fictional content such as memes or illustrations and any self-injury content which is graphic, regardless of context. We also remove content that identifies and negatively targets victims or survivors of suicide or self-injury seriously, humorously or rhetorically, as well as real time depictions of suicide or self-injury."); Bullying and Harassment, Meta Transparency Center: Policies, https://transparency.fb.com/policies/community-standards/bullying-harassment/ (last visited Oct. 17, 2023) ("We remove content that's meant to degrade or shame...."); Adult Nudity and Sexual Activity, Meta Transparency

- c) Each CSE Report delineates the "prevalence" of policy-violating content on Instagram during the given quarter. According to Meta, "prevalence" is the estimated "number of views" of "policy-violating content" on Instagram divided by the total number of views of Instagram content. Each CSE Report breaks down the purported "prevalence" of policy-violating content for the given period by "Policy" category—e.g., the "prevalence" of "Adult Nudity and Sexual Activity," "Bullying and Harassment," "Hate Speech," etc. And, as detailed below, each CSE Report suggests that it is incredibly rare for Instagram users to encounter "policy violating" content across each Policy category.
- 268. Meta's Transparency Center also implies that, between Meta's publication of its Policies and CSE Reports, Meta provides the public accurate statistics on the primary safety risks that Instagram presents Young Users. It states: "We keep people safe and let people hold us accountable by sharing our policies, enforcement and [CSE Reports]."79

Center: Policies, <a href="https://transparency.fb.com/policies/community-standards/adult-nudity-sexual-activity/">https://transparency.fb.com/policies/community-standards/adult-nudity-sexual-activity/</a> (last visited Oct. 17, 2023) ("We restrict the display of nudity or sexual activity because some people in our community may be sensitive to this type of content. Additionally, we default to removing sexual imagery to prevent the sharing of non-consensual or underage content."); Hate Speech, Meta Transparency Center: Policies,

https://transparency.fb.com/policies/community-standards/hate-speech/ (last visited Oct. 17, 2023) ("[W]e don't allow hate speech on [Instagram].") <sup>79</sup> Meta Transparency Center, *supra* note 69.

- 269. However, Meta's Transparency Center, Policies, and CSE Reports are misleading. They grossly understate the degree to which Young Instagram Users are exposed to harmful content and harmful experiences on the platform.
- 270. Meta's CSE Reports—the meat of Meta's periodic reporting to consumers on the real-time "safety" of Instagram—are misleading in design and effect.
  - 271. In terms of being misleading by design:
    - a) CSE Reports only state the "prevalence" of harmful content on Instagram insofar as Meta has defined such content to be "policy violating." The "prevalence" metric necessarily excludes content that is harmful but not considered "policy violating" because, for example, Meta's definition of what violates the relevant Policy—i.e., what constitutes "Violent and graphic content"—is inappropriately narrow.
    - b) Likewise, CSE Reports only state the "prevalence" of "policy violating" content on Instagram insofar as Meta *successfully identifies* content that qualifies as "policy violating" in a given sample of Instagram content for the purposes of generating "prevalence" statistics.
    - c) CSE Reports only report the purported "prevalence" of policyviolating content as viewed by *all Instagram users*, not Young Users

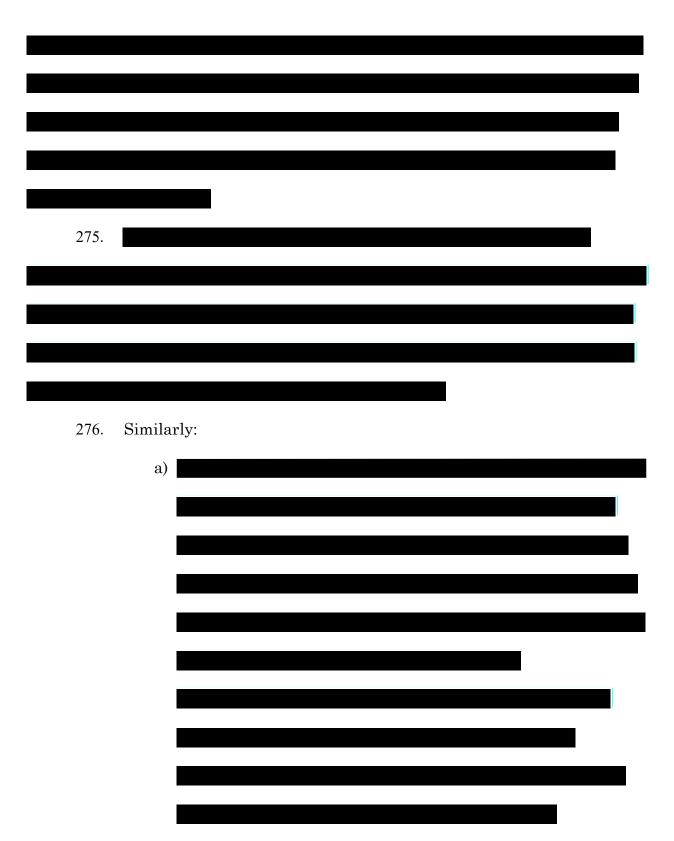
- d) Finally, CSE Reports fail to identify and address some of the greatest risks and harms Instagram presents to Young Users, including, but not limited to, compulsive and excessive Instagram use and negative social comparison.
- 272. As a result, CSE Reports present skewed, deceptive results.

273. For example, Meta's third quarterly CSE Report of 2021 stated that, on Instagram, between just "0.05% to 0.06%" of users' views were of content that violated Meta's standards against bullying and harassment." This representation created the impression that it was very rare for Instagram users to observe or experience bullying or harassment on Instagram.

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 $<sup>^{80}</sup>$  Guy Rosen, Community Standards Enforcement Report, Third Quarter 2021 (Nov. 9, 2021),

https://about.fb.com/news/2021/11/community-standards-enforcement-report-q3-2021/



b) As to violence: Meta's 2021 third quarter CSE Report stated

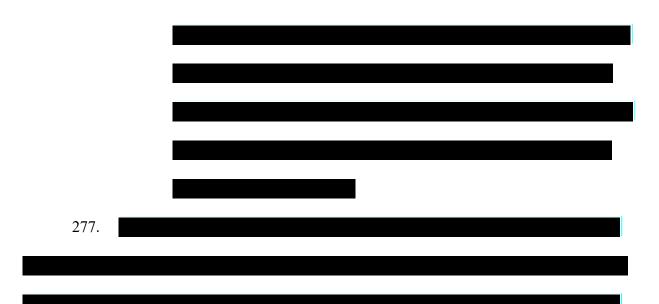
that on Instagram, less than .02% of views were of content that violated Meta's policies against "Violence and incitement." This representation created the impression that it was very rare for users to experience violent content on Instagram.



d) **Finally, as to hate speech**: Meta's 2021 third quarter CSE Report stated that on Instagram, only .02% of views were of content that violated Meta's policies against "Hate speech." 82

 $<sup>^{81}</sup>$  Guy Rosen, supra note 80.

<sup>82</sup> Guy Rosen, *supra* note 80.



278. Further, as noted above, Meta's third quarterly CSE Report of 2021

failed to publicly disclose Meta's internal findings regarding other significant harms Instagram causes Young Users—like compulsive and excessive Instagram use and negative social comparison.

- 279. Indeed, Meta has publicly disseminated and promoted its

  Transparency Center, Policies, and CSE Reports to conceal and downplay the
  routine and widespread harmful experiences that Instagram users, including Young

  Users, encounter on—and as a result of using—the platform.
- 280. Of note, during the State's investigation, Meta's former Director of Engineering (also responsible for "Site Integrity"), Arturo Bejar,

  testified that Meta adopted and promoted the "prevalence"

  metric for measuring and reporting Instagram users' exposure to harmful ("policy-violating") content and experiences precisely in order to mislead the public.<sup>83</sup>
- 281. When asked if he believed "that Mr. Zuckerberg and other Company leaders focused on the 'prevalence' metric because it created a distorted picture about the safety of Meta's platforms," Bejar testified "I do."
- 282. When asked if he thought "Mr. Zuckerberg's public statements about prevalence created a misleading picture of the harmfulness of Meta's platforms," Bejar testified "I do."
- 283. And when asked if he was "aware of any instances where the Company, in [his] view, minimized the harms users were experiencing on Meta's

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platforms," Bejar testified: "Every time that a Company spokesperson in the context of harms quotes Prevalence statistics I believe that is what they are doing, that they're minimizing the harms that people are experiencing in the product."

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285. Undeterred, Meta continues to publish misleading CSE Reports, unchanged in nature.

- 2. <u>In Congressional Testimony, Meta Doubled Down On Its</u>

  <u>Deceptive External Narrative That Instagram Is Safe For</u>

  <u>Young Users</u>
- 286. As referenced above, in September 2021, the Wall Street Journal covered and published a limited volume of leaked internal Meta research regarding the negative impact of Instagram on teen girls. Later that month, a U.S. Senate Committee invited Meta executives and senior managers to Capitol Hill to testify regarding the impacts of Instagram on Young Users' mental health.
- 287. Before that Committee, Meta's representatives downplayed the meaning of the internal Meta research the Wall Street Journal had publicized. Further, they deceptively testified that Instagram provides Young Users age-appropriate experiences; does not cause compulsive and excessive platform usage; and that Meta routinely uses its internal research findings on teen mental health to

improve the safety of its platforms.

- a) Meta Downplayed Its Internal Research And Testified That Instagram Provides Age-Appropriate Experiences Despite Its Internal Findings to The Contrary
- 288. On September 20, 2021, Meta's Global Head of Safety Antigone Davis testified to the U.S. Senate Subcommittee on Consumer Protection, Product Safety, and Data Security at a hearing regarding "Protecting Kids Online: Facebook, Instagram, and Mental Health Harms."84
- 289. As to the internal Meta research that was leaked to, and published by, the Wall Street Journal, Davis testified that this research in fact demonstrated that for "teen girls who were struggling," Instagram was "affirmatively helping them," not "making things worse."
- 290. Davis testified: "My team works tirelessly with our colleagues across the company to put in the place the right policies, products, and precautions so that people who use our services have a safe and positive experience.... We [Meta] have put in place multiple protections to create safe and age-appropriate experiences for people between the ages of 13 and 17."85
- 291. In subsequent questioning from U.S. Senators, Davis testified that "[w]hen it comes to those between 13 and 17, we consult with experts to ensure that

<sup>&</sup>lt;sup>84</sup> Written Testimony of Antigone Davis Global Head of Safety, Facebook, hearing before the U.S. S. Comm. on Science, Commerce, and Transportation, Subcomm. on Consumer Protection, Product Safety, and Data Security (Sept. 30, 2021), <a href="https://www.commerce.senate.gov/services/files/9128BE85-15A8-42E8-A804-2988D8306D59">https://www.commerce.senate.gov/services/files/9128BE85-15A8-42E8-A804-2988D8306D59</a>

<sup>&</sup>lt;sup>85</sup> *Id.* at 1.

our policies properly account for their presence, for example, by age-gating content."86

- 292. Davis testified that Meta does not "allow young people to see certain types of content. And we have age gating around certain types of content." 87
- 293. Davis also testified that Meta does not "direct people towards content that promotes eating disorders."88
- 294. During the hearing, Senator Amy Klobuchar asked Davis: "What specific steps did you... take in response to your own research [into Instagram users' body image issues] and when?"89
- 295. Davis responded: "Senator Klobuchar, I don't know that I'll be able to give you exact dates, but what I can tell you is that this research has **fueled** numerous product changes."90
- 296. Likewise, in December 2021, Head of Instagram Adam Mosseri testified to the same Senate Subcommittee. He echoed Davis' statement that Meta has "put in place multiple protections to create safe and age-appropriate experiences for people between the ages of 13 and 18" on Instagram. 91

<sup>&</sup>lt;sup>86</sup> Facebook Head of Safety Testimony on Mental Health Effects: Full Senate Hearing Transcript, Rev (Sept. 30, 2021), https://www.rev.com/blog/transcripts/facebook-head-of-safety-testimony-on-mental-health-effects-full-senate-hearing-transcript <sup>87</sup> Id.

<sup>&</sup>lt;sup>88</sup> *Id*.

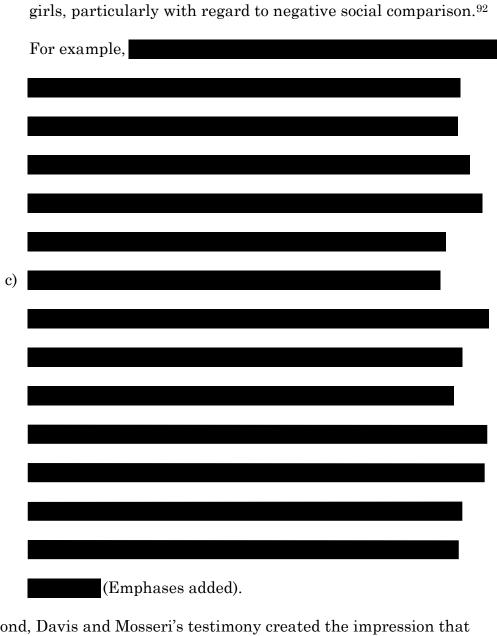
<sup>&</sup>lt;sup>89</sup> *Id*.

<sup>90</sup> *Id*.

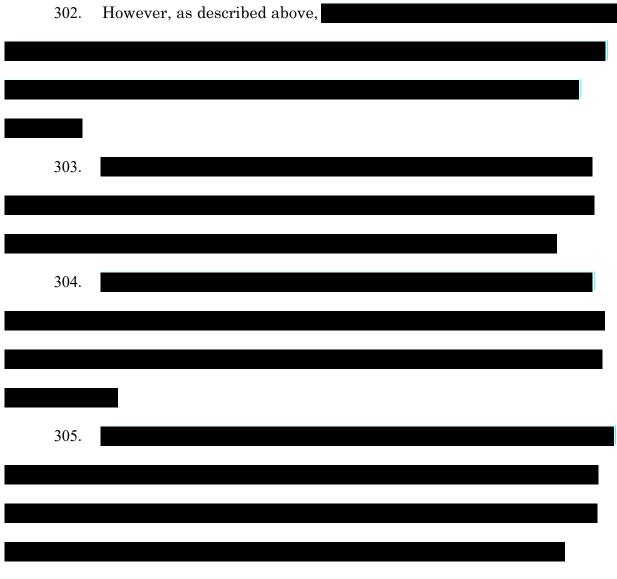
<sup>&</sup>lt;sup>91</sup> Written Testimony of Adam Mosseri Head of Instagram, Meta Platforms Inc., hearing before the U.S. S. Comm. on Science, Commerce, and Transportation, Subcomm. on Consumer Protection, Product Safety, and Data Security (Dec. 8,

- 297. During that testimony, Senator Ted Cruz asked Mosseri: "How did you change your policies as a result of [Meta's internal research into Instagram users' suicidal thoughts] to protect young girls?"
- 298. Mosseri responded: "Senator, I appreciate the question. We use research to not only change our policies, but to **change our product on a regular basis**."
  - 299. Davis and Mosseri's testimony were misleading on two similar fronts.
- 300. First, their testimony created the impression that Instagram provides "age-appropriate" and "safe" experiences for youth. However:
  - a) As detailed in above in Paragraphs 201-221, Meta has internally found that, on Instagram, Young Users routinely encounter content and experiences on Meta's platforms that are neither age-appropriate nor safe. For example, they encounter content depicting violence and adult sexual activity, as well as content promoting excessive weight loss, eating disorders, self-harm and suicide. And they experience compulsive and excessive platform use, negative social comparison, and unwanted sexual advances.
  - b) As detailed above in Paragraphs 210-211, Meta has internally found that Instagram is disproportionately damaging to teen

 $<sup>2021),\,</sup>https://www.commerce.senate.gov/services/files/3FC55DF6-102F-4571-B6B4-01D2D2C6F0D0$ 



301. Second, Davis and Mosseri's testimony created the impression that Meta "regular[ly]" used internal research findings on teen mental health to improve product safety.



- b) Meta Testified that Instagram Does Not Cause Compulsive and Excessive Usage Despite Its Internal Findings to The Contrary
- 306. During Davis' September 2021 Congressional testimony, Davis also testified that Meta does not build its products to be addictive and disputed the addictive nature of Meta's products.<sup>93</sup>

<sup>&</sup>lt;sup>93</sup> Facebook Head of Safety Testimony on Mental Health Effects: Full Senate Hearing Transcript, Rev (Sept. 30, 2021), https://www.rev.com/blog/transcripts/facebook-head-of-safety-testimony-on-mental-health-effects-full-senate-hearing-transcript

- 307. In response, Senator Dan Sullivan asked Davis, "[b]ut isn't part of your business model to have more eyeballs for a longer amount of time engaged using your services?"
- 308. Davis responded: "Respectfully, Senator that's not actually how we build our products."
- 309. Similarly, in December 2021, Mosseri testified to Congress that "I don't believe that research suggests that our products are addictive."94
- 310. In fact, as detailed in Paragraphs 86-188 above, long before Davis and Mosseri's testimony, Meta designed Instagram to cause users, including Young Users, to utilize the platform compulsively and excessively; had found that Instagram *in fact* caused Young People to use the platform compulsively and excessively; and had found that compulsive and excessive Instagram use was harmful to Young Users.<sup>95</sup>

<sup>&</sup>lt;sup>94</sup> Taylor Hatmaker, *Instagram's Adam Mosseri defends the app's teen safety track record to Congress*, TechCrunch+ (Dec. 8, 2021, 5:18 PM), <a href="https://techcrunch.com/2021/12/08/instagrams-adam-mosseri-senate-hearing-teen-safety/">https://techcrunch.com/2021/12/08/instagrams-adam-mosseri-senate-hearing-teen-safety/</a>

Subcommittee regarding Meta's products. During that testimony, a Representative asked Zuckerberg, "[s]o do you agree that [Meta's] business model and the design of [Meta's] products is to get as many people on the platform as possible and to keep them there for as long as possible?" In response, Zuckerberg testified: "[O]ur goal is not – we don't – I don't give our... Instagram team goals around increasing the amount of time that people spend." Another Representative asked Zuckerberg, "Do you agree to much time in front of screens, passively consuming content, is harmful to children's mental health?" In response, Zuckerberg testified, "I don't think that the research is conclusive on that." Testimony of Mark Zuckerberg, Meta Platforms Inc., hearing before the U.S. House of Representatives Subcomm. on Communications and Technology joint with Subcomm. on Consumer Protection and



- 3. Meta Concealed From Consumers Its Internal Findings
  That Instagram Harms Young Users And Is Particularly
  Damaging to Young Women
- 312. While Meta systematically and affirmatively misrepresented to consumers that Instagram was safe for Young Users, Meta systematically concealed from consumers its extensive research findings to the contrary.
- 313. For example, Paragraphs 164-221 above detail Meta's internal research—including studies and surveys of Young Instagram Users—finding that Instagram causes Young Users to use Instagram compulsively and excessively; that compulsive and excessive Instagram use harms Young Users; that, beyond compulsive use, Instagram exposes Young Users to an array of harmful content and harmful experiences; and that Instagram is particularly damaging to teen girls.

Commerce (March 5, 2021),

https://www.congress.gov/117/meeting/house/111407/documents/HHRG-117-IF16-Transcript-20210325.pdf Zuckerberg's testimony was also misleading per Paragraphs 69-70 and 86-197 above.

| 314. | Meta | concealed | this | research | and | these | fine | dings | from | consumers. |
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| 31:       | 5. To date, consumers have only been made aware of an extremely          |
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| limited p | ortion of internal Meta research reflecting that Instagram is harmful to |
| Young U   | sers—and only because a former Meta employee leaked this internal        |
| research  | to the media   |

| 316. | Meta is aware of this tension. |
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- 5. <u>Meta Deceptively Promoted Instagram "Well being"</u>
  Features While Omitting Known Harms of Instagram Features
  Designed To Maximize Engagement, Like Cosmetic Selfie
  Filters
- 327. Meta has also misrepresented that Instagram features—like its "Time Spent" tool—were positive and meaningful for Young Users while omitting that other Instagram features designed to maximize user engagement—like cosmetic selfie filters—were harmful to Young Users.
  - a) Meta Deceived Consumers By Promoting a "Time Spent"
    Tool
- 328. On August 1, 2018, Meta announced "new tools to help people manage their time on... Instagram." The announcement touted a new in-app dashboard that would allow each Instagram user to see the average amount of time they spent

using Instagram per day during the prior week.<sup>96</sup>

- 329. In launching this "Time Spent" tool, Meta stated: "[w]e have a responsibility to help people understand how much time they spend on our platforms so they can better manager their experience." <sup>97</sup> It expressed "hope... that these tools give people more control over the time they spend on our platforms and also foster conversations between parents and teens about the online habits that are right for them." <sup>98</sup>
- 330. Meta boasted that it had engineered the "Time Spent" tool "based on collaboration and inspiration from leading mental health experts and organizations, academics, [Meta's] own extensive research and feedback from [Meta's] community."99
- 331. Through these public statements and others, Meta led consumers, including Young Users and their parents and guardians, to believe that they could rely on Meta's "Time Spent" tool to track and manage Young Users' time spent on Instagram in a meaningful, accurate way.
  - 332. These representations were false.

<sup>&</sup>lt;sup>96</sup> Ameet Ranadive and David Ginsberg, New Time Management Tools on Instagram and Facebook, Instagram (Aug. 1, 2018),

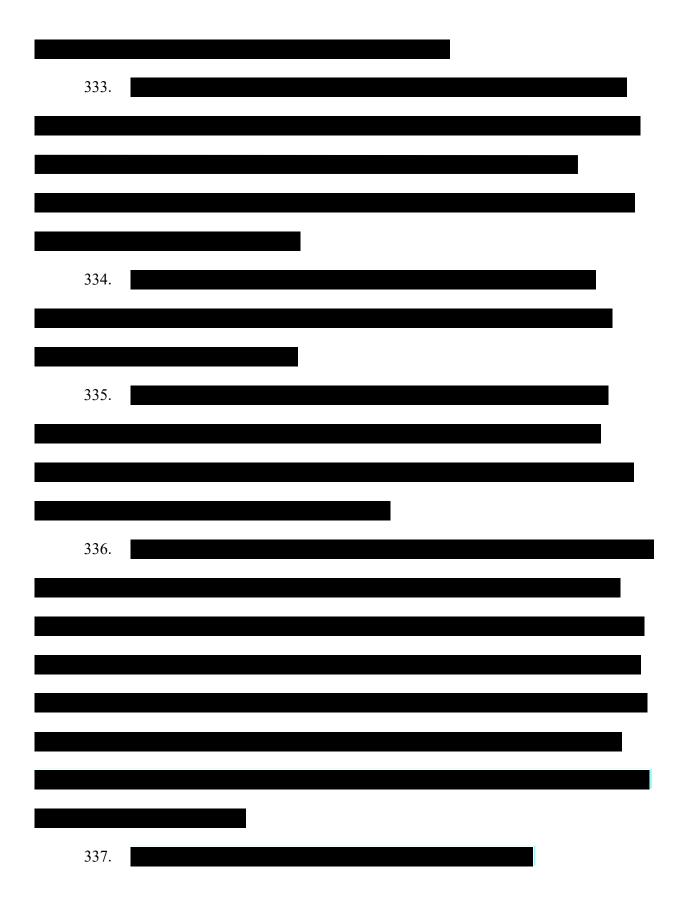
https://about.instagram.com/blog/announcements/new-time-management-tools-on-instagram-and-

 $facebook \#: \sim : text = To\%20 access\%20 the\%20 tools\%2C\%20 go, total\%20 time\%20 for\%20 that\%20 day.$ 

<sup>&</sup>lt;sup>97</sup> *Id*.

<sup>&</sup>lt;sup>98</sup> *Id*.

<sup>&</sup>lt;sup>99</sup> *Id*.



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# b) Meta Omitted the Harms Individual Instagram Features Caused Young Users, including the Cosmetic Selfie Filter

- 340. Paragraphs 120-162 describe the manner in which individual Instagram features pose health risks to Young Users. Meta failed to publicly disclose these risks.
- 341. Likewise, Meta failed to disclose to consumers the meaningful health risks associated with Instagram's "cosmetic" selfie filters.
- 342. As context, "cosmetic" selfie filters refer to in-app camera filters that purportedly "beautify" the appearance of the photo-subject's face. They color skin, smooth over skin pores, hide "imperfections," plump up limps, extend eyelashes, brighten eyes, and even alter face shape, including to make a face appear more "skinny." <sup>100</sup>
- 343. Generally, as the phrase "cosmetic selfie filter" implies, Instagram users apply "cosmetic" filters in the context of taking and posting pictures of themselves.

344.

<sup>&</sup>lt;sup>100</sup> See, e.g., Best Instagram beauty filters in 2022, Reader's Digest (July 3, 2022), https://www.readersdigest.co.uk/lifestyle/fashion-beauty/best-instagram-beauty-filters-in-2022

| 345.           | Shortly thereafter, Meta worked to integrate these augmented reality |
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| filter effects | s into Instagram   |
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- 351. Meta's commissioned literature review regarding the mental health impacts of selfie manipulation found that:
  - a) "Social acceptance and belongingness were at one point central to human survival. This fundamental need to belong motivates our efforts to selectively present or modify ourselves during social interactions was a way to increase our worth and attractiveness to others.... Social comparison can be adaptive... It also provides us with a multitude of ways to feel 'not good enough' and cause profound suffering (e.g., depression, low selfesteem, anxiety, eating disorders."
  - b) "[F]indings to date suggest [that selfie manipulation]
    exacerbates risk and maintenance of several mental health
    concerns including body dissatisfaction, eating disorders and
    body dysmorphic disorder cross-culturally."
  - c) "Research indicates that young girls believe manipulated photos of peers are realistic and experience increases in body dissatisfaction after being exposed to edited selfies."
  - d) "Whether adolescents and young women are from Asia,

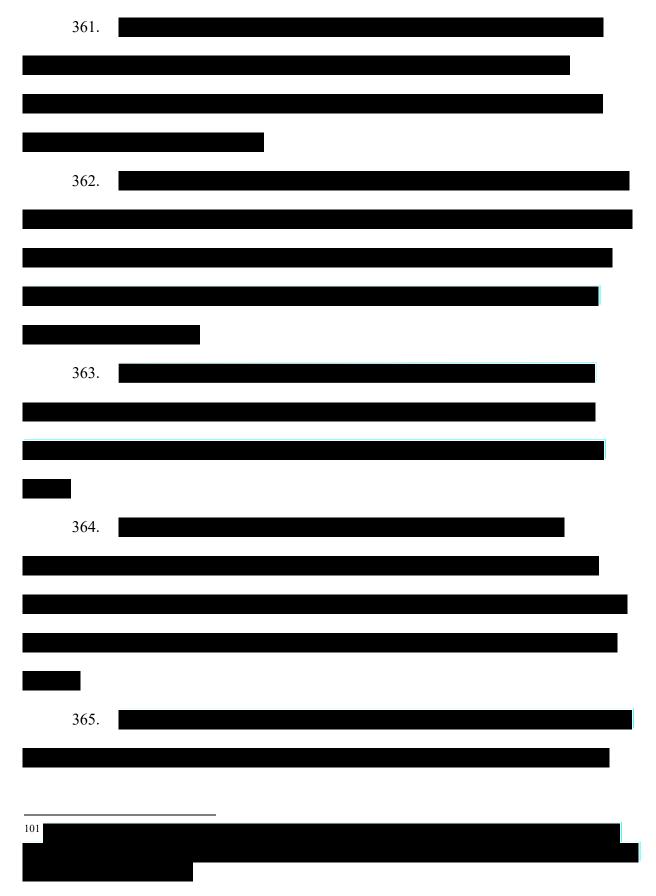
America or Australia, studies indicate they are all engaging in photo-editing to achieve unachievable beauty standards in response to continuous feedback back that they, as they are, are not 'good enough'.... This is turn only perpetuates and exacerbates the risk for body dissatisfaction, eating disorder behaviors, depression and anxiety across the globe."

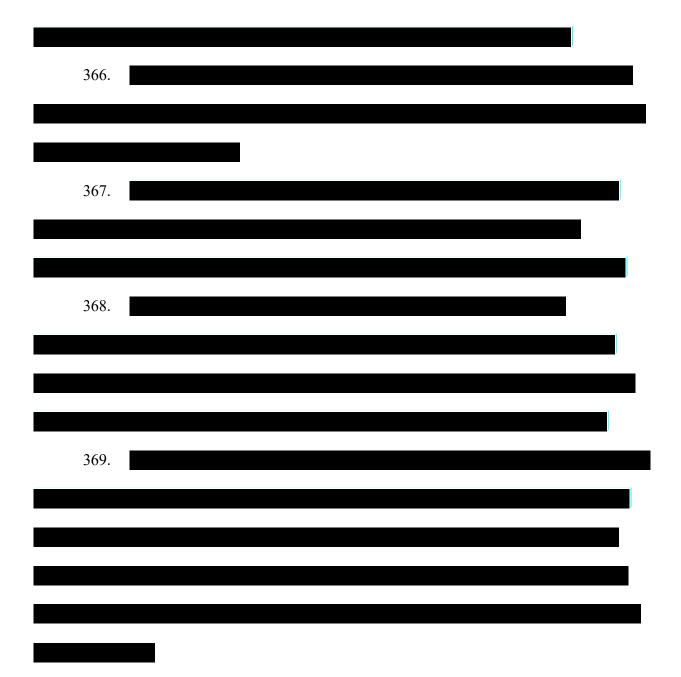
- e) "An analysis of the costs and benefits of editing selfies and viewing manipulated photos indicate the risks far outweigh the benefits."
- 352. Nevertheless, Meta's decision-makers implemented cosmetic selfie filters on Instagram—and did so without publicly disclosing the related mental health risks.
- 353. In mid-October 2019, Meta received sharp public rebuke from press and mental health experts for implementing these particular features. These constituencies observed that certain selfie filters available on the Instagram platform promoted plastic surgery, raising serious mental health concerns.

354.

- 355. In response to that public pressure—and roughly one year after receiving unequivocal warning from the
- above-referenced literature review—Meta installed a set of *interim* policies banning augmented reality filters that explicitly promoted cosmetic plastic surgery.

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370. Meta's cosmetic selfie filters remain accessible to Young People on Instagram to this day. And, to date, Meta has never publicly disclosed its internal findings that these particular filters and effects are harmful to Young Users—and particularly young women—leading consumers to believe that Instagram is safer than it is.

371. Individually and in the aggregate, the above-referenced misrepresentations and omissions were likely to have affected, and are likely to be affecting, consumers' decisions to use Instagram.

### IV. VIOLATIONS OF THE LAW

#### **COUNT ONE**

# Unfair Acts and Practices in Violation of 9 V.S.A. § 2453

- 372. The State realleges and incorporates by reference each of the allegations contained in all paragraphs of this Complaint as though fully alleged herein.
- 373. Defendants have engaged in and are continuing to engage in unfair acts and practices in commerce, in violation of the Vermont Consumer Protection Act, 9 V.S.A. § 2453(a), which are immoral, unethical, oppressive or unscrupulous; or cause substantial injury to consumers which is not reasonably avoidable by consumers themselves and not outweighed by countervailing benefits to consumers or to competition.

#### 374. Defendants' unfair acts include:

- a) Designing and maintaining Instagram such that it causes Young

  People to use Instagram compulsively and excessively;
- b) Designing and maintaining Instagram in such a manner despite that, as Meta internally found, Young People are harmed by compulsive and excessive Instagram use;
- c) Designing and maintaining Instagram in such a manner despite that, as Meta internally found, Instagram exposes Young Users to harmful content and harmful experiences, aside from

- compulsive and excessive platform use;
- d) Misrepresenting to consumers the extent to which Instagram causes compulsive and excessive platform use; the extent to which such use is harmful to Young Users; and the extent to which, beyond causing compulsive and excessive platform use, Instagram exposes Young Users to harmful content and harmful experiences;
- e) Misrepresenting to consumers the extent to which Instagram's features are individually harmful to Young Users;
- f) Failing to disclose to consumers the extent to which Instagram is designed to cause Young Users to use Instagram compulsively and excessively and the extent to which Instagram in fact causes Young Users to use Instagram compulsively and excessively;
- g) Failing to disclose to consumers the extent to which compulsive and excessive Instagram usage is harmful to Young Users, and the extent to which, beyond causing compulsive platform usage, Instagram exposes Young Users to harmful content and harmful experiences otherwise;
- h) Failing to disclose to consumers the extent to which

  Instagram's features are individually harmful to Young Users;
  and
- i) Contrary to Instagram's Terms, failing to verify Instagram users'

age upon account creation and thereby exposing youth under the age of 13 to Instagram, despite that, as Meta internally found, Instagram causes Young Users compulsive and excessive platform use that is harmful and exposes Young Users to harmful content and harmful experiences otherwise.

# COUNT TWO Deceptive Acts and Practices in Violation of 9 V.S.A. § 2453

- 375. The State realleges and incorporates by reference each of the allegations contained in all paragraphs of this Complaint as though fully alleged herein.
- 376. Defendants engaged in and are continuing to engage in deceptive acts and practices in commerce, in violation of the Vermont Consumer Protection Act, 9 V.S.A. § 2453(a), by making material misrepresentations that are likely to deceive a reasonable consumer. The meaning ascribed to Defendant's claims herein is reasonable given the nature of those claims.
- 377. Defendant's deceptive acts include making materially false or misleading omissions and statements regarding:
  - a) The extent to which Instagram features are designed to maximize Young Users' time spent on, and engagement with, Instagram;
  - b) The extent to which Instagram causes Young Users to use the platform compulsively and excessively;
  - c) The extent to which Young Users' compulsive and excessive use of Instagram harms Young Users;

- d) The extent to which Instagram exposes Young Users to harmful content;
- e) The extent to which Instagram exposes Young Users to harmful experiences aside from compulsive and excessive platform use, including negative social comparison, bullying, and unwanted sexual contact;
- f) The extent to which Instagram's features, like cosmetic selfie filters, are individually harmful to Young Users;
- g) The extent to which Instagram's "well-being"-related initiatives and features, like the "Time Spent Tool," are dysfunctional and/or ineffectual; and
- h) The extent to which Young Users' Instagram accounts are "control" accounts for a Meta study and therefore, by design, afforded even fewer protections against harmful content and harmful experiences than a typical Instagram account.
- 378. These representations and omissions were likely to mislead consumers, affecting their decisions regarding the use of Instagram. The meaning Plaintiff ascribes to Defendants' misrepresentations herein is reasonable, given the nature thereof.

#### PRAYER FOR RELIEF

WHEREFORE, Plaintiff State of Vermont respectfully request the Court enter judgment in its favor and the following relief:

- 1. A judgment determining that Defendants have violated the Vermont Consumer Protection Act;
- 2. A permanent injunction prohibiting Defendant from engaging in the unfair and deceptive acts and practices identified herein;
- 3. A judgment requiring Defendant to disgorge all profits obtained as a result of their violations of the Vermont Consumer Protection Act;
- 4. Civil penalties of \$10,000 for each violation of the Vermont Consumer Protection Act;
- 5. A finding that each instance in which a Young Person accessed the Instagram platform in the State of Vermont represents a distinct violation of the Vermont Consumer Protection Act;
- 6. The award of investigative and litigation costs and fees to the State of Vermont; and
- 7. Such other and further relief as the Court may deem just and appropriate.

Dated at Montpelier, Vermont this 24th day of October, 2023.

Respectfully submitted,

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