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14 **UNITED STATES DISTRICT COURT**
15 **NORTHERN DISTRICT OF CALIFORNIA**

16 DREW KRISCO, an individual, and LIVLY,
17 INC., a Delaware corporation, individually and
on behalf of all others similarly situated,

18 *Plaintiffs,*

19 v.

20 LINKEDIN CORPORATION, a Delaware
corporation,

21 *Defendant.*

Case No.

CLASS ACTION COMPLAINT FOR:

- 22 **(1) Violation of Cal. Bus. & Bus. Prof.**
Code § 17200, et seq.
- 23 **(2) Fraud**
- 24 **(3) Accounting**

DEMAND FOR JURY TRIAL

25 **CLASS ACTION COMPLAINT AND DEMAND FOR JURY TRIAL**

26 Plaintiffs Drew Krisko (“Krisco”) and Livly, Inc. (“Livly”) bring this Class Action
27 Complaint and Demand for Jury Trial against Defendant LinkedIn Corporation (“LinkedIn”) to seek
28 compensation for Defendant overcharging advertisers and misrepresenting the reliability of the data
produced by its advertising platform. Plaintiffs allege as follows upon personal knowledge as to

CLASS ACTION COMPLAINT

1 themselves and their own acts and experiences, and, as to all other matters, upon information and
2 belief.

3 NATURE OF THE ACTION

4 1. On November 12, 2020, Defendant LinkedIn stated on its own blog that “[i]n
5 August, our engineering team discovered and then subsequently fixed two measurement issues in
6 our ads products that may have overreported some Sponsored Content campaign metrics for
7 impression and video views.” Defendant revealed that these “issues” impacted hundreds of
8 thousands of LinkedIn advertisers, undetected, over the span of at least two years.

9 2. Specifically, advertisers were overcharged and overpaid for advertisements on
10 LinkedIn’s platform, all while relying on LinkedIn’s assurances that their advertising metrics were
11 accurate and reliable.

12 3. While LinkedIn has tried to downplay the impact of this failure to monitor and
13 control its own advertising platform, the total extent of the damage to their customers is not yet
14 known. Nor is there conclusive proof that these problems have been fully rectified and that other
15 unknown “measurement issues” may not lurk in its vast system.

16 4. Above and beyond simply overpaying for mismeasured ads, Plaintiffs and members
17 of the Class paid for an unknown number of ineffective ads, losing out on the opportunity to serve
18 effective ads that would have fulfilled the purposes of the advertisements. Had Plaintiffs and
19 members of the Class known of the lack of reliability in choosing to place ads with LinkedIn, they
20 would have taken their ad dollars to other competitive platforms.

21 5. Plaintiffs therefore bring this Complaint to seek compensation for the amount they
22 were overcharged, as well as seek an accounting of their ad accounts, along with those of the Class,
23 to ensure that the payments they have made are consistent with the services they received.

24 PARTIES

25 6. Plaintiff Drew Krisco is a natural person and resident of the State of Illinois. Mr.
26 Krisco is a current customer of Defendant LinkedIn.

1 active audience for an untold number of advertisers to buy a wide range of advertisements, a core
2 aspect of LinkedIn’s business model.

3 14. Not unlike with Facebook or Google, advertisers pay extortionary amounts to reach
4 target audiences and rely on platforms like LinkedIn to be honest brokers in how they track,
5 monitor, and charge for those ads. While advertisers have certain tools available to them to track
6 their own ads, certain information can only be known and conveyed by LinkedIn itself, leaving
7 advertisers in a vulnerable position to act in blind reliance on LinkedIn’s own metrics and reporting.

8 15. In November of 2020, LinkedIn revealed that it had taken advantage of that
9 vulnerability through its own failures to properly design and audit its advertising system.

10 16. In its own words, “In August, our engineering team discovered and then
11 subsequently fixed two measurement issues in our ads products that may have overreported some
12 Sponsored Content campaign metrics for impression and video views. Together these issues
13 potentially impacted more than 418,000 customers over a two plus year period.”¹

14 17. Additional reporting on this issue revealed:

15 With video ads, LinkedIn discovered that some organic videos and video ads would
16 play while they were off-screen on Apple Inc.’s iOS devices.

17 If a LinkedIn user scrolled past a video ad while the video was buffering, for
18 example, the ad would autoplay even when out of view, but still be tracked and
19 logged as a video view or completion.

20 That may have resulted in overstated measures including video views and view-
21 through rates, as well as overcharging advertisers paying by the view, according to a
22 LinkedIn spokesman.

23 The company also said it may have been overreporting impressions on sponsored-
24 content campaigns in the LinkedIn feed—for example, in cases when users would
25 rotate their phones or quickly move to other parts of the app, the spokesman said.²

24 ¹ *We discovered two measurement issues. Here’s how we’re making it right.*, LinkedIn,
25 [https://business.linkedin.com/marketing-solutions/blog/linkedin-news/2020/how-we-re-working-to-
26 improve](https://business.linkedin.com/marketing-solutions/blog/linkedin-news/2020/how-we-re-working-to-improve).

27 ² *LinkedIn Finds Measurement Errors That Inflated Video and Ad Metrics*, THE WALL STREET
28 JOURNAL, [https://www.wsj.com/articles/linkedin-finds-measurement-errors-that-inflated-video-and-
ad-metrics-11605228577](https://www.wsj.com/articles/linkedin-finds-measurement-errors-that-inflated-video-and-ad-metrics-11605228577).

1 18. What's worse, based on publicly available information, LinkedIn allegedly
2 discovered this issue in August 2020, but waited at least *two months* to fix it and provide any kind
3 of notice to its customers.

4 19. During this time, millions of advertisers bought untold amounts of advertising on the
5 LinkedIn platform, with absolutely no notice of ongoing or previous failures to properly track and
6 monitor advertising performance.

7 20. Of course, this same issue had been ongoing for two years without notice or
8 explanation, impacting billions of ad dollars spent with Defendant LinkedIn.

9 **PLAINTIFF KRISCO'S EXPERIENCE**

10 21. Plaintiff Krisco is in the real estate business.

11 22. Starting in 2020, Plaintiff Krisco purchased advertisements on the LinkedIn platform
12 to promote job opportunities.

13 23. Krisco became aware of the mismeasurement issues in November 2020. Without
14 detailed information from LinkedIn, Krisco is unaware of the details of what ads were impacted,
15 when any issues occurred, or the full nature of the damage he suffered.

16 **PLAINTIFF LIVLY'S EXPERIENCE**

17 24. Plaintiff Livly is a software and mobile app developer that provides products for the
18 property management industry.

19 25. Starting in 2020, Livly purchased advertisements on the LinkedIn platform to build
20 brand awareness and drive potential customers to its website.

21 26. Livly became aware of the mismeasurement issues in November 2020. Without
22 detailed information from LinkedIn, Livly is unaware of the details of what ads were impacted,
23 when any issues occurred, or the full nature of the damage it suffered.

24 **CLASS ALLEGATIONS**

25 27. **Class Definition:** Plaintiffs bring this action pursuant to Federal Rule of Civil
26 Procedure 23 on behalf of himself and the Class defined as follows:
27

1 All persons or entities who, during the relevant statute of limitations
2 period, paid to place advertisements with Defendant LinkedIn.

3 Excluded from the Class are: (1) any Judge or Magistrate presiding over this action and
4 members of their families; (2) Defendant, Defendant's subsidiaries, parents, successors,
5 predecessors, and any entity in which Defendant or its parents have a controlling interest and its
6 current or former employees, officers and directors; (3) persons who properly execute and file a
7 timely request for exclusion from the Class; (4) persons whose claims in this matter have been
8 finally adjudicated on the merits or otherwise released; (5) Plaintiffs' counsel and Defendant's
9 counsel; and (6) the legal representatives, successors, and assigns of any such excluded persons.

10 28. **Numerosity:** The exact number of members of the Class is unknown and not
11 available to Plaintiffs at this time, but it is clear that individual joinder is impracticable. On
12 information and belief, Defendant has refused to reimburse thousands of agents like and including
13 Plaintiffs.

14 29. **Commonality and Predominance:** There are many questions of law and fact
15 common to the claims of Plaintiffs and the Class, and those questions predominate over any
16 questions that may affect individual members of the Class. Common questions for the Class
17 include, but are not necessarily limited to, the following:

- 18 a. Whether LinkedIn's actions were likely to deceive members of the public and
19 those constituted a fraudulent business practice under California's Unfair
20 Competition Law (UCL), Cal. Bus. & Prof. Code § 17200;
- 21 b. Whether LinkedIn made material misrepresentations about its advertising
22 services;
- 23 c. Whether LinkedIn's failure to properly audit and verify its advertising metrics
24 was unfair, deceptive, untrue and misleading, and constitutes an unfair and
25 fraudulent business practice under the UCL;
- 26 d. Whether LinkedIn breached its contract with Plaintiffs and the Class by reporting
27 inaccurate advertising metrics.

1 30. **Typicality:** Plaintiffs' claims are typical of the claims of other members of the Class,
2 in that Plaintiffs and members of the Class sustained damages arising out of Defendant's uniform
3 wrongful conduct.

4 31. **Adequate Representation:** Plaintiffs will fairly and adequately represent and
5 protect the interests of the Class, and have retained counsel competent and experienced in complex
6 litigation and class actions. Plaintiffs' claims are representative of the claims of the other members
7 of the Class. That is, Plaintiffs and members of the Class sustained damages as a result of
8 Defendant's uniform conduct. Plaintiffs also have no interests antagonistic to those of the Class, and
9 Defendant have no defenses unique to Plaintiffs. Plaintiffs and their counsel are committed to
10 vigorously prosecuting this action on behalf of the members of the Class, and have the financial
11 resources to do so. Neither Plaintiffs nor their counsel have any interest adverse to the Class.

12 32. **Policies Generally Applicable to the Class:** This class action is appropriate for
13 certification because Defendant have acted or refused to act on grounds generally applicable to the
14 Class as a whole, thereby requiring the Court's imposition of uniform relief to ensure compatible
15 standards of conduct toward members of the Class, and making final injunctive relief appropriate
16 with respect to the Class as a whole. Defendant's practices challenged herein apply to and affect
17 members of the Class uniformly, and Plaintiffs' challenge of those practices hinges on Defendant's
18 conduct with respect to the Class as a whole, not on facts or law applicable only to Plaintiffs.

19 33. **Superiority:** This case is also appropriate for class certification because class
20 proceedings are superior to all other available methods for the fair and efficient adjudication of this
21 controversy given that joinder of all parties is impracticable. The damages suffered by the
22 individual members of the Class will likely be relatively small, especially given the burden and
23 expense of individual prosecution of the complex litigation necessitated by Defendant's actions.
24 Thus, it would be virtually impossible for the individual members of the Class to obtain effective
25 relief from Defendant's misconduct. Even if members of the Class could sustain such individual
26 litigation, it would still not be preferable to a class action, because individual litigation would
27 increase the delay and expense to all parties due to the complex legal and factual controversies

1 presented in this Complaint. By contrast, a class action presents far fewer management difficulties
2 and provides the benefits of single adjudication, economy of scale, and comprehensive supervision
3 by a single court. Economies of time, effort, and expense will be fostered, and uniformity of
4 decisions ensured.

5 34. Plaintiffs reserve the right to revise the foregoing “Class Allegations” and “Class
6 Definition” based on facts learned through additional investigation and discovery.

7
8 **FIRST CAUSE OF ACTION**
9 **CALIFORNIA UNFAIR COMPETITION LAW,**
10 **CAL. BUS. & PROF. CODE § 17200, et seq.**

11 35. Plaintiffs incorporate the foregoing allegations as if fully set forth herein.

12 36. LinkedIn violated California’s Unfair Competition Law, Cal. Bus. & Prof. Code
13 § 17200 *et seq.*, by engaging in the fraudulent and unfair business acts and practices alleged, as
14 further specified below.

15 37. LinkedIn’s dissemination of inaccurate and inflated advertising metrics constitutes a
16 fraudulent practice under the UCL, as it is likely to deceive Class members into believing that their
17 paid advertisements generated a highly inflated number of impressions.

18 38. LinkedIn’s failure to properly audit and verify the accuracy of its advertising metrics
19 before disseminating them to Class members is unfair, deceptive, untrue and misleading, and
20 constitutes an unfair and fraudulent business practice under the UCL. LinkedIn’s practice was also
21 contrary to legislatively declared and public policies that seek to protect consumers from misleading
22 statements. *See, e.g.*, Federal Trade Commission Act (15 U.S.C. § 45); Consumers Legal Remedies
23 Act (Cal. Civ. Code § 1750 *et seq.*); and California False Advertising Law (Cal Bus. & Prof. Code §
24 17500). The harm these practices caused to Plaintiffs and the Class members outweigh their utility,
25 if any.

26 39. Prior to November 2020, LinkedIn knew or through reasonable investigation should
27 have known that its advertising metrics were inaccurate and inflated, and had LinkedIn properly
28 audited and verified its advertising metrics it would have known that those metrics were inaccurate

1 and inflated. The calculation errors that LinkedIn allowed to persist for over two years were obvious
2 errors that would have been discovered by a reasonable auditing and verification process.

3 40. LinkedIn's failure to employ reasonable auditing and verification procedures gave it
4 an unfair competitive advantage, as it allowed LinkedIn to provide video-advertising services at a
5 lower cost and made those advertising services appear to be more effective than they were.

6 41. Plaintiffs have standing to bring these claims under the UCL because they were
7 injured and lost money or property, including, but not limited to money paid for LinkedIn
8 advertisements, as a result of LinkedIn's fraudulent and unfair business practices. Among other
9 things, Plaintiffs would not have bought as much advertising services if LinkedIn had not
10 disseminated inflated metrics and would have paid a lower price for the advertising services they
11 did purchase.

12 42. Pursuant to Cal. Bus. & Prof. Code § 17203, Plaintiffs seek equitable relief to
13 prevent the continued use of LinkedIn's unfair and fraudulent practices and to restore to the Class
14 all money LinkedIn may have acquired by means of its fraudulent and unfair business practices.

15 **SECOND CAUSE OF ACTION**
16 **FRAUD**

17 43. Plaintiffs incorporate the foregoing allegations as if fully set forth herein.

18 44. LinkedIn falsely represented the number of impressions generated by Plaintiffs' and
19 Class members' advertisements.

20 45. LinkedIn either (i) knew that the metrics it was reporting to Plaintiffs and Class
21 members was false; or (ii) reported those metrics recklessly and without regard for their truth.

22 46. And even if LinkedIn's statement is true—and it failed to discover the issue until
23 August 2020—it still knowingly disseminated false metrics for several additional months. The
24 persistence of LinkedIn's false metrics was possible only because LinkedIn did not take verification
25 of its metrics seriously, severely understaffed the engineering team in charge of fixing errors, did
26 not fully investigate or correct errors that were reported to it, and refused to allow third-party
27 verification of its metrics.

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Counsel for Plaintiffs and the Putative Class

ClassAction.org

This complaint is part of ClassAction.org's searchable class action lawsuit database and can be found in this post: [Class Action: Ad Buyers Sue After LinkedIn Admits to Overreporting Impressions, Video Views](#)
