Facebook reportedly reaches $5 billion settlement with the Federal Trade Commission

Facebook has reportedly reached a settlement with the Federal Trade Commission over repeated privacy violations, *The Wall Street Journal* reports. According to the *Journal*, the FTC voted this week to approve a $5 billion settlement, which has now moved to the Justice Department's civil division for review. It is unclear how long the review will take.

A Facebook spokesman declined to comment or confirm the report. The *Washington Post* and *New York Times* later confirmed the details in the Journal's report.

The *Journal* reported that the FTC voted along party lines, with three Republican commissioners voting in favor of the settlement and two Democratic commissioners voting against it. Aside from the fine, it is unclear what the settlement will require of Facebook.

In April, Facebook said it had set aside $3 billion as part of an expected FTC fine. The settlement, details of which were first reported by *The Washington Post* in February, is expected to relate primarily to the 2018 Cambridge Analytica data privacy scandal, as well as the seemingly never-ending series of subsequent breaches and leaks that have dogged Facebook in the months since.

In its most recent quarterly earnings report, Facebook reported $15.1 billion in sales, 26 percent ahead of the previous year. At the time, $3 billion represented about 6 percent of the cash and marketable securities Facebook had on

hand.

Assuming the settlement is approved, the fine would be the largest in the history of the FTC. (The current record is a $22.5 million fine against Google from 2012.) At the same time, even $5 billion would be unlikely to faze Facebook, which has reported record profits this year.

https://www.theverge.com/2019/7/12/20692253/facebook-ftc-settlement-fine-5-billion-justice-department