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EDL

THE UNITED STATES DISTRICT COURT

FOR THE NORTHERN DISTRICT OF CALIFORNIA

san francisco Misio 1 1 3796

JURY DEMAND

JOHN B. KIM, and DAN C. SCHUTZMAN, Individually, on Behalf of Themselves and All Others Similarly Situated,

Plaintiffs,

SPACE PENCIL, INC. D/B/A KISSMETRICS, BABYPIPS.COM, INVOLVER.COM, MOO, INC., SITENING, LLC., SHOEDAZZLE.COM INC., 8TRACKS INC., ABOUT.ME, FRIEND.LY, GIGA OMNI MEDIA INC., HASOFFERS.COM, KONGREGATE INC., LIVEMOCHA INC., ROCKETTHEME, LLC, FITNESS KEEPER, INC., SEOMOZ, INC., SHARECASH, LLC., SLIDESHARE.NET, SPOKEO, INC., SPOTIFY USA, INC., VISUAL.LY, CONDUIT USA, FLITE, INC., TANGIENT, LLC, ETSY INC, AND IVILLIAGE, INC.

Defendants.

CASE NO.

CLASS ACTION COMPLAINT

- **FOR VIOLATIONS OF:**1. Electronic Communications Privacy Act,
- 2. Computer Crime Law, Cal. Penal Code § 502;

18 U.S.C. § 2510;

- 3. Trespass to Personal Property/Chattel; and
- 4. Unfair Competition Law, Cal. Bus. and Prof. Code § 17200.

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Plaintiffs, on behalf of themselves and all others similarly situated (each, a "Class Member" and, collectively, the "Class") allege as follows based on personal knowledge and on information and belief based on investigations of counsel.

PARTIES

- 1. Plaintiffs are individuals residing in the United States and each of whom, during the Class Period (as defined herein), used his or her Internet-connected computer and Webbrowsing software ("browser") installed on that computer to visit Defendants' websites.
- 2. Plaintiff John B. Kim is a resident of San Diego County, California. He has visited Defendant Spokeo, Inc.'s website, http://spokeo.com, a number of times over the course of the past year.
- 3. Plaintiff Dan C. Schutzman is a resident of Los Angeles County, California. He has visited Defendant Spotify, USA, Inc.'s website, http://spotify.com and Defendant Fitnesskeeper, Inc.'s website, http://runkeeper.com several times over the course of the past year.
- 4. Defendant BabyPips.com ("Babypips") is a business organization, form unknown, with principal offices in Richmond, Virgina. Defendant operates the website http://babypips.com.
- Defendant Involver.com ("Involver") is a Delaware Corporation with its principal place of business located at 611 Mission Street, San Francisco, California. Defendant operates the website http://involver.com.
- 6. Defendant Moo, Inc. ("Moo") is a Delaware corporation with its principal place of business located at 855 Waterman Avenue, East Providence, Rhode Island. Defendant Moo, Inc. operates the website http://moo.com.
- 7. Defendant Sitening, LLC ("Sitening") is a business organization, form unknown, with its principal place of business located at 1414 17th Avenune, Nashville, Tennessee. Defendant Sitening operates the website http://raventools.com.

- 8. Defendant Shoedazzle.com, Inc. ("Shoedazzle") is a business organization, form unknown, with its principal place of business located at 2501 Colorado Avenue, Santa Monica, California. Defendant Shoedazzle operates the website http://shoedazzle.com.
- 9. Defendant 8tracks Inc. ("8tracks") is a Delaware corporation with its principal place of business located at 192 Orchard Street, New York, New York. Defendant 8tracks operates the website http://8tracks.com.
- 10. Defendant About.me is a Delaware corporation with its principal place of business located at Pier 38 The Embarcadero, San Francisco, California. Defendant About.me operates the website http://about.me.
- 11. Defendant friend.ly is a business organization, form unknown, with its principal place of business located in Mountainview, California. Defendant friend.ly operates the website http://friend.ly.
- 12. Defendant Giga Omni Media Inc. ("Gigaom") is a Delaware corporation with its principal place of business located at 217 2nd Street, San Francisco, California. Defendant Gigaom operates the website http://gigaom.com.
- 13. Defendant Hasoffers.com is a business organization, form unknown, with its principal place of business located at 2220 Western Avenue, Seattle, Washington. Defendant Hasoffers.com operates the website http://hasoffers.com.
- 14. Defendant Kongregate Inc. ("Kongregate") is a Delaware corporation with its principal place of business located at 625 Westport Parkway, Grapevine, Texas. Defendant Kongregate operates the website http://kongregate.com.
- 15. Defendant LiveMocha Inc. ("LiveMocha") is a business organization, form unknown, with its principal place of business located in Bellevue, Washington. Defendant Live Mocha operates the website http://www.html.com.

- 16. Defendant Rockettheme, LLC ("Rockettheme") is a Colorado corporation with its principal place of business located in Golden, Colorado. Defendant Rockettheme operates the website http://rockettheme.com.
- 17. Defendant Fitnesskeeper, Inc. ("Fitnesskeeper") is a business organization, form unknown, with its principal place of business located in Boston, Massachusetts. Defendant Fitnesskeeper operates the website http://runkeeper.com.
- 18. Defendant Seomoz, Inc. ("Seomoz") is a Delaware corporation with its principal place of business in Seattle, Washington. Defendant Seomoz operates the website http://seomoz.org.
- 19. Defendant ShareCash, LLC ("Sharecash") is a New York corporation with its principal place of business located in Queens, New York. Defendant Sharecash operates the website http://sharecash.org.
- 20. Defendant Slideshare, Inc. ("Slideshare") is a Delaware corporation with its principal place of business located at 490 2nd Street, San Francisco, California. Defendant Slideshare operates the website http://slideshare.net.
- 21. Defendant Spokeo, Inc. ("Spokeo") is a Delaware corporation with its principal place of business in Pasadena, California. Defendant Spokeo operates the website http://spokeo.com.
- 22. Defendant Spotify USA, Inc. ("Spotify") is a Delaware corporation with its principal place of business in New York, New York. Defendant Spotify operates the website http://spotify.com.
- 23. Defendant visual.ly is a business entity, form unknown, with its principal place of business in San Francisco, California. Defendant visual.ly operates the website http://visual.ly.

- 24. Defendant Conduit USA Inc. ("Conduit") is an Israeli corporation authorized to do business in the State of California, with its principal place of business in San Mateo, California. Defendant Conduit operates the website http://wibiya.com.
- 25. Defendant Flite, Inc. ("Flite") is a Delaware corporation with its principal place of business in San Francisco, California. Defendant Flite operates the website http://widgetbox.com.
- 26. Defendant Tangient, LLC ("Tangient") is a California corporation with its principal place of business in San Francisco, California. Defendant Tangient operates the website http://wikispaces.com.
- 27. Defendant Etsy Inc. ("Etsy") is a Delaware corporation with its principal place of business located in New York, New York. Defendant Etsy operates the website http://www.etsy.com.
- 28. Defendant iVillage, Inc. ("iVillage") is a business organization, form unknown, with its principal place of business in New York, New York. Defendant iVillage is part of the NBC Universal Women & Lifestyle Entertainment Networks Group. Defendant iVillage operates the website http://astrology.com.
- 29. Defendants Babypips, Involver, Moo, Sitening, Shoedazzle, 8tracks, About.me, friend.ly, Gigaom, Hasoffers.com, Kongregate, LiveMocha, Rockettheme, Fitnesskeeper, Seomoz, Sharecash, Spokeo, Spotify, visual.ly, Conduit, Flite, Tangient, Etsy and iVillage are collectively referred to as the "Website Defendants."
- 30. Defendant Space Pencil, Inc. d/b/a KISSmetrics ("Kissmetrics") is a business organization, form unknown, with principal executive offices and headquarters located at 407 Morning Lane, Redwood City, California 94065.
- 31. The "Website Defendants" and Kissmetrics are collectively referred to as "Defendants."

INTRADISTRICT ASSIGNMENT

32. Kissmetrics's principal executive offices and headquarters are in this District at 407 Morning Lane, Redwood Shores, California, so intra-district assignment to the San Francisco Division is proper.

JURISDICTION AND VENUE

- 33. This Court has diversity jurisdiction in this case under the Class Action Fairness Act, 28 U.S.C. § 1332(d)(2). This complaint states claims on behalf of national classes of consumers who are minimally diverse from Defendants. The amount in controversy exceeds \$5 million, exclusive of interest and costs. The Classes (as defined herein) consist of more than one hundred members.
- 34. This Court also has federal question jurisdiction under 28 U.S.C. § 1331 as this action arises in part under a federal statute, including the Electronic Communications Privacy Act.
- 35. This Court has supplemental jurisdiction with respect to the pendent state law claims under 28 U.S.C. § 1367.
- 36. This Court has personal jurisdiction over Defendants because some of the acts alleged herein were committed in the state of California and because some of the Defendants are registered to do business in this state and Defendants systematically and continuously conduct business in this state.
- Venue is proper in this District under 28 U.S.C. § 1391(b) because Defendant
 Kissmetrics operates primarily in Redwood City, California.

GENERAL ALLEGATIONS

- A. Plaintiffs and Class Members' used their browser privacy controls to prevent tracking.
 - 38. Plaintiffs and Class Members value their privacy while Web-browsing.

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- 39. Plaintiffs and Class Members have a reasonable expectation of privacy while Web-browsing.
 - 40. Plaintiffs and Class Members do not want to be tracked online.
- 41. Plaintiffs and Class Members believe their Web-browsing is private and not the business of anyone except the Website with which they choose to communicate.
- 42. Plaintiffs and Class Members consider many of their online communications to involve their personal information—information of a private, confidential, sensitive, and intimate nature involving personal and professional matters such as finance, health, politics, religion, family and relationship matters and events, and other matters regarding which they protect their communications from disclosure to others.
- 43. Plaintiffs' online communications included such information, both their own and of persons with whom they corresponded.
- 44. Plaintiffs and Class Members believe their decisions to disclose or not disclose information when they view a particular Web page, select content or options on the page, or enter information on the page, is their decision to make.
- 45. Plaintiffs and Class Members believe the information they disclose online is an asset they possess and to which online third parties have no presumptive right of access.
- 46. Plaintiffs and Class Members believe their computers, Internet connectivity through their ISPs, and software installed on their computers ("Computer Assets")—are theirs to use and control, to preserve their privacy and for other reasons, such as preventing unwanted communications from diminishing the speed of their Internet connections.
- 47. Plaintiffs and Class Members believe their Computer Assets are assets they pay for, possess, and/or to which they enjoy a right of possession and use.

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- 48. Plaintiffs and Class Members believe online parties with whom they have not chosen to communicate have no presumptive right to access or use Plaintiffs and Class Members' Computer Assets.
- 49. Plaintiffs and Class Members' ability to block and delete browser cookies is material to them in protecting their privacy interests and keeping their Computer Assets from being used in ways Plaintiffs and Class Members' do not want their Computer Assets used, including to diminish and invade their privacy interests.
- 50. To avoid being tracked online, Plaintiffs and Class Members used and relied on their browser controls to block and/or delete browser cookies from tracking companies, including Defendants.
- 51. Plaintiffs did so to protect their privacy interests and to improve the performance of their computers while they browsed the Web.
- 52. Plaintiffs and Class Members reasonably expected their browser controls to block or delete cookies, preventing them from being tracked online, profiled, and served behaviorally targeted advertisements.
- 53. Plaintiffs subsequently discovered that, despite their use of browser controls, Defendants had been tracking their online activities and had stored a number of files on their computers.
- 54. The files Defendants stored on their computers were not browser cookies. They were Adobe Flash Local Stored Objects (LSOs).

B. Kissmetrics and Website Defendants' Rogue Tracking Exploits

55. Plaintiffs and Class Members share reasonable expectations about tracking of their online activities and limits of that tracking, relating to who will be tracking, what will be tracked, and how tracking will be done.

- 56. Plaintiffs and Class Members reasonably expect that websites performing tracking do so by storing information in cookies on the computers of visitors to their websites.
- 57. While it is generally reasonable to expect a website to use cookies for tracking, the Website Defendants and Kissmetrics created numerous, alternative, "shadow" mechanisms for tracking; Defendants engaged in tracking by exploiting Plaintiff and Class Members' browsers and other software in ways that consumers did not reasonably expect.
- 58. Defendants engage in these tracking activities regardless of any visitor's browser privacy controls over accepting, blocking, or deleting cookies.
- 59. Besides Defendants' exploit of Adobe Flash LSOs, described below, the other exploits described below are so outside the boundaries of reasonable expectations that even industry experts had not observed these exploits "in the wild," that is, in actual use on websites available to the public.
 - C. Kissmetrics and Website Defendants' exploits of browser cache and HTML5 storage
- 60. The purpose of a browser cache is to store, on a user's computer, copies of web pages viewed by the user. The next time the user visits the web page, if it has not changed, the page can simply be loaded from the browser cache instead of being downloaded from the Internet, which would take more time.
- 61. Kissmetrics and Website Defendants, however, repurposed the browser cache of Plaintiffs and Class Members' browser software. They coordinated together so that Kissmetrics stored coded information, specific to each individual Plaintiff and Class Member, in the code used to display the Website Defendants' web pages. The code had nothing to do with what the user viewed. Like cookies, the code contained tracking information.
- 62. When a Plaintiff or Class Member returned to the web pages of a Website Defendant, the browser automatically retrieved its cached copy. While the page was being

displayed, the Kissmetrics scripts embedded in the web page inspected the cached copy to search

- Using the tracking codes stored in the cached page, Kissmetrics recreated its own and the Website Defendants' tracking cookies that had been deleted by the user and to bypass the
- This practices constitutes a "hack," in the sense that word is used as a term of art
- In addition, the Website Defendants stored tracking information in DOM local storage, for those Plaintiffs and Class Members using recent browser versions enabled with
 - It is contrary to standard practices to use DOM local storage in place of cookies.
- The Website Defendants used DOM local storage to store unique identifiers, identified by the keyvalue "ai," assigned to Plaintiffs and Class Members. The Website Defendants shared these unique identifiers with Kissmetrics, such that the identical value was
- The coordinating and respawning of cookies using Website Defendants' DOM local storage values was performed by Kissmetrics' code embedded in the web pages of the
- Further, for each Plaintiff and Class Member, Defendants utilized the same common identifier across all the Website Defendants' websites and in Kissmetrics' own processes in which it merged and analyzed Plaintiffs and Class Members' data for its own purposes, independent of any services it provided to the Website Defendants.
- It is contrary to Internet standards, for privacy reasons, for two websites to share

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71. It is contrary to Internet standards to use alternative mechanisms to cookies, respawn cookies, and bypass cookies using DOM local storage, in which the information never expires, without first obtaining user consent.

D. Defendants' exploit of Adobe Flash LSOs

- 72. Adobe Flash Player software is installed on the majority of U.S. consumers' computers, including those of Plaintiffs and Class Members.
- 73. The Website Defendants repurposed the Adobe Flash software installed on Plaintiffs and Class Members' computers; the Website Defendants used Adobe Flash local shared objects (LSOs) on Plaintiffs and Class Members' computers as an alternative mechanism in which to store the same information it was storing in cookies.
- 74. Similarly, Kissmetrics stored tracking information in Adobe Flash LSOs that it later accessed.
- 75. In fact, the Kissmetrics code embedded in Website Defendants' web pages operated so that it cycled through tracking data stored in cookies, browser cache files and DOM local storage (described above), and Adobe Flash LSOs, so that it could retain Plaintiffs and Class Members' tracking data by one means or another, and thereby respawn cookies and track Plaintiffs and Class Members over long periods of time and multiple websites, regardless of whether they were registered or logged in.
- 76. The Adobe Flash LSOs were not used by any Defendant for purposes of retaining user preferences for the display of Flash-based video content.
- 77. LSOs were designed to store information such as users' volume control settings for videos, game score for multi-session video games, and other user preferences for playing content using their Flash players—not as an alternative to browser cookies to track users.
- 78. Plaintiffs and Class Members did not expect that, if they deleted the Website Defendants' guid cookies stored by their browser, or any of Kissmetrics cookies, or that if they switched browsers, the Website Defendants and Kissmetrics would use the information they Complaint

stored in Adobe LSOs to respawn its guid cookie, so that the Website Defendants could maintain 1 a persistent, unique code to identify the particular individual. 2 3 79. These tracking activities were designed to be surreptitious. 4 Plaintiff and Class Members had no reasonable means to detect or control these 80. 5 tracking activities. 6 Figure 1. Comparison of cookies and LSOs 7 Cookies Adobe Flash LSOs 8 Characteristics and Operation 9 [a] subject to global standards subject to Adobe specifications 10 [b] set/used only by originating Website .. set/used by multiple Websites* 11 [c] encrypted if Web page is encrypted unencrypted; warning messages from user's browser can be suppressed 12 [d] 4 kilobytes up to 100 KB by default; may be larger 13 [e] expires when user exits browser persistent by default by default 14 15 User Controls can control through browser cannot control through browser** 16 [g] can identify originating Website cannot reasonably identify originating 17 Website* [h] can view cookie contents cannot reasonably view LSO contents 18 relatively apparent and usable not reasonably apparent and usable; 19 (compared to other options) constitutes added burden 20 Adobe Flash permits cross-domain LSO creation and use, i.e., a Website can set an LSO for another Website, or read another Website's LSO; Adobe Flash also permits 21 cross-site scripting, allowing for privacy-invasive and security threatening exploits. 22 User must be aware of and use proprietary Adobe tools available on Adobe 23 Website. 24 25 81. Adobe Systems Incorporated has stated1: 26 27 Responses to Adobe's small step forward on Flash-cookie control, posted by Wiebke Lips, Adobe Systems Inc., Jan. 29, 2010, available at

http://blog.privacychoice.org/2010/01/29/adobes-small-step-forward-on-flash-cookie-control;

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Adobe does not support the use of our products in ways that intentionally ignore the user's expressed intentions.

In every case where rich Internet applications are possible, Local Storage is available (and necessary). The Local Storage capability in Adobe Flash Player is equivalent in concept to the emerging Local Storage capabilities in i.e. HTML5 and Silverlight. The fact that Local Storage in these technologies is distinct from the existing browser cookie system and treated as such by the browsers today underscores the need for responsible use of Local Storage in modern Web applications.

- 82. On Plaintiffs and Class Members' computers, Defendants' LSOs remain stored and available to Defendants for their use.
- 83. Unlike cookies, for which commercial browsers provide consumers some measure of control, consumers have no reasonable means to block, detect, or delete LSOs and are burdened by other, material differences between cookies and LSO. See Figure 1 on page 12, above.

Harm

- 84. Defendants acquired personal information to which they were not entitled and which Plaintiffs and Class Members had affirmatively sought and reasonably expected to prevent Defendants from acquiring.
- 85. Defendants' conduct in acquiring such information without authorization or consent has caused and causes economic loss to Plaintiffs and Class Members in that the personal information acquired by Defendants has economic value to Plaintiffs and Class Members.
- 86. In addition, Defendants' conduct in acquiring such information without authorization or consent has caused economic loss to Plaintiffs and Class Members in that such information has economic value to Plaintiffs and Class Members as an asset they exchange for valuable content and services provided by websites; Plaintiffs and Class Members would have blocked Defendants' LSOs and other exploits described herein, would not have patronized

see also Letter to FTC, Adobe Systems Inc., Jan. 27, 2010, p. 9, available at http://www.ftc.gov/os/¬comments/¬privacy¬round¬table/¬544506-00085.pdf.

Defendants' websites, and would have avoided websites utilizing Defendants' repurposed LSOs and other exploits described herein; Defendants' conduct has thus imposed opportunity costs on Plaintiffs and Class Members, depriving them of the opportunity to exchange their valuable information for the content and services of websites engaging in practices that comported with Plaintiffs and Class Members' reasonable privacy expectations.

- 87. Defendants' conduct in using Plaintiffs and Class Members' Computer Assets to set and use LSOs and other exploits described herein for tracking Plaintiffs and Class Members constituted the unconsented use of Plaintiffs and Class Members' Computer Assets, including Internet connectivity, for which Plaintiffs and Class Members paid, and so Defendants acquired the use of such assets without payment and thus subjected Plaintiffs and Class Members to economic loss.
- 88. Defendants' unconsented use of Plaintiffs and Class Members' Computer Assets, for which Plaintiffs and Class Members paid, diminished the performance of Plaintiffs and Class Members' computers and Internet connectivity, in that LSO-based methods of information collection require the transfer of larger files using more resource-intensive computer processes that must be completed in sequence during the download of Web pages, causing Web pages to load more slowly than Web pages involving the transfer of cookie values; such diminution in performance of Computer Assets constituted an economic loss to Plaintiffs and Class Members.
- 89. The consequences of the aforementioned conduct also constitute an interruption in service in that they were recurrent, through the Class Period, affecting Plaintiffs and Class Members' experiences on numerous websites.
- 90. Defendants' use of Plaintiffs and Class Members' Computer Assets and collection and use of their personal information in a nontransparent manner, which cannot reasonably be detected at the time or later discovered, has deprived Plaintiffs and Class Members of the ability to protect their privacy and Computer Assets, assess the effects of Defendants' actions on their privacy and Computer Assets, and reasonably undertake self-help measures.

- 91. Defendants' use of LSOs and other exploits described herein subjects and/or has subjected Plaintiffs and Class Members to additional harm in that, in further circumvention of their browser settings, Defendants have re-spawned cookies that Plaintiffs and Class Members deleted, and/or Plaintiffs and Class Members face the imminent harm of such re-spawning through the various exploit methods described herein.
- 92. The value of Plaintiffs and Class Members' losses are discernable through the discovery of information from Defendants and expert evaluation.
- 93. Plaintiffs and other members of the Class seek to maintain privacy and confidentiality of their unique, personal, and individual information assets, including PII and details of their browsing and online viewing activities.
- 94. The private and confidential character of Plaintiffs and Class Members' personal information is further demonstrated by their utilization of browser privacy controls, including Microsoft's default privacy settings and/or by periodically deleting cookies.
- 95. Defendants acquired personal information to which it was not entitled and which Plaintiffs and Class Members had reasonably expected to prevent Defendants from acquiring.
- 96. The private and confidential character of Plaintiffs' and Class Members' personal information is further demonstrated by Defendants' use of surreptitious and deceptive methods to deposit unconsented to cookies and LSOs and other exploits described herein on Plaintiffs and Class Members' computers.
- 97. Defendants' conduct in acquiring such information without authorization or consent has caused and causes economic loss to Plaintiffs and Class Members in that the personal information acquired by Defendants has economic value to Plaintiffs and Class Members.
- 98. In addition, Defendants' conduct in acquiring such information without authorization or consent has caused economic loss to Plaintiffs and Class Members in that such information has economic value to Plaintiffs and Class Members as an asset they exchange for Complaint

valuable content and services provided by websites; Plaintiffs and Class Members would have blocked Defendants' LSOs and other exploits described herein, would not have patronized Defendants' websites, and would have avoided websites utilizing Defendants' repurposed LSOs and other exploits described herein; Defendants' conduct has thus imposed opportunity costs on Plaintiffs and Class Members, depriving them of the opportunity to exchange their valuable information for the content and services of websites engaging in practices that comported with Plaintiffs and Class Members' reasonable privacy expectations.

- 99. In addition, Defendants impose discernable opportunity costs on Plaintiffs and Class Members. The Website Defendants can compete and thrive only if they sustain a sufficient traffic volume to attract merchants and advertisers.
- 100. Plaintiffs and Class Members, through their patronage, provide that traffic and so barter for their ability to access—and continue to enjoy—the content and services they bought with that patronage.
- 101. Defendants, through their conduct, deprived and deprive Plaintiffs and Class

 Members of the opportunity to use their information to purchase from and promote the continued availability of websites that conform to their reasonable expectations, that is, online merchants that deal honestly in the content and services offered to consumers and their related privacy disclosures.
- 102. Each Plaintiff and Class Member incorporated privacy considerations into his or her online viewing decision whenever they visited a Website Defendant's website. Plaintiffs and Class Members made their viewing selection purchases on the Website Defendant's website, and not another competitor's website, because they trusted that such Website Defendant's privacy practices comported with their privacy preferences, as expressed through their browser's privacy controls.
- 103. Had Plaintiffs and Class Members known that Defendants' privacy practices were not as represented, i.e., that Defendants use unauthorized persistent cookies and LSOs and other

exploits described herein to track their web activities, and share personal information obtained through tracking and otherwise with third parties, Plaintiffs and Class Members would not have visited the websites of the Website Defendants.

- 104. Finally, the personal information Defendants wrongfully obtained from Plaintiffs and Class Members constitutes valuable data in the advertising-related market for consumer information. Plaintiff and Class Members are presently harmed or face imminent harm from Defendants' wrongful acquisition and use of their information, preempting Plaintiffs and Class Members from realizing for themselves the full value of their own information.
- 105. The costs and harms described above are aggravated by Defendants' continued retention and commercial use of the improperly acquired user data; by reducing the scarcity of Plaintiffs' and Class Members' valuable information, Defendants has further reduced the economic value of such information, causing Plaintiffs and Class Members economic harm.
- 106. Thus, Defendants' unauthorized taking of Plaintiffs' and other Class Members' personal information therefore imposes financial harm on them and constitutes an unwanted cost incurred by them for accessing Defendants' website.
- 107. Plaintiffs' and other Class Members' information acquired by Defendants had and has discernable value to them. That value can be established through information that is available in the market, combined with usage information that is available in Defendants' records and through expert valuation.

CLASS ALLEGATIONS

108. Pursuant to Rules 23(a), (b)(2), and (b)(3) of the Federal Rules of Civil Procedure, Plaintiffs brings this action pursuant to on behalf of themselves and the following Class:

All persons in the United States who visited a Website Defendant's website and were assigned a Kissmetrics and Website Defendants' identifier.

Excluded from the Class are Defendants, and their assigns, successors, and legal Complaint

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are entitled to equitable relief and/or other relief, and if so the nature of such relief; and

- j. whether, as a result of Defendants' conduct, Plaintiffs and Class Members are entitled to damages, punitive damages, and/or treble damages.
- 123. The questions of law and fact common to the Class predominate over any questions affecting only individual members and a class action is superior to all other available methods for the fair and efficient adjudication of this controversy.
 - 124. Plaintiffs' claims for relief include those set forth below.

CLAIMS FOR RELIEF

CLAIM ONE: Violation of the Electronic Communications Privacy Act TITLE 18 UNITED STATES CODE, SECTION 2510, et seq. (Wiretap Act)

- 125. Plaintiffs incorporate the above allegations by reference as if fully set forth herein.
- 126. Each Defendant intercepted Plaintiff and Class Members' electronic communications in that each Defendant executed Flash applications and placed LSO files and other tracking exploits on Plaintiff and Class Members' computers, which the Defendant used as a device to acquire the contents of communications between websites and respectively, Plaintiff and Class Members, thereby diverting and transferring information containing and constituting the substance, purport, and meaning of Plaintiff and Class Members' communications.
- 127. Defendants' conduct was in violation of Title 18, United States Code, Section 2511(1)(a) because Defendant intentionally intercepted and endeavored to intercept Plaintiff and Class Members' electronic communications.
- 128. Defendants' conduct was in violation of Title 18, United States Code, Section 2511(1)(d) in that Defendants used and endeavored to use the contents of Plaintiff and Class Members' electronic communications, knowing and having reason to know that the information was obtain through interception in violation of Title 18, United States Code Section 2511(1).
- 129. Defendants' conduct was knowing and intentional in that Defendants designed their processes for setting LSOs and other tracking exploits described herein, and Defendants executed those processes, specifically for the purpose of engaging in the interceptions that

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CLAIM THREE: Trespass to Chattel as to all Defendants

- 163. Plaintiffs incorporate the above allegations by reference as if fully set forth herein.
- 164. The common law prohibits the intentional intermeddling with personal property, including a computer, in possession of another that results in the deprivation of the use of the personal property or impairment of the condition, quality, or usefulness of the personal property, or impairs some other legally protected interest, including the legally protected interest in privacy and confidential information.
- 165. By engaging in the acts alleged in this complaint without the authorization or consent of Plaintiffs and Class Members, Defendants dispossessed Plaintiffs and Class Members from use and/or access to their Computer Assets. Further, these acts impaired the use, value, and quality of Plaintiffs and Class Members' Computer Assets. Defendants' acts constituted an intentional interference with the use and enjoyment of Plaintiffs' Computer Assets. By the acts described above, Defendants repeatedly and persistently engaged in trespass to personal property in violation of the common law.
- 166. Without Plaintiffs and Class Members' authorization or consent, or in excess of any authorization or consent given, Defendants knowingly and intentionally accessed Plaintiffs and Class Members' property, thereby intermeddling with Plaintiffs and Class Members' right to exclusive possession of the property and causing injury to Plaintiffs and the members of the Class.
- 167. Defendants engaged in deception and concealment to gain access to Plaintiffs and Class Members' computers.
- 168. Defendants engaged in the following conduct with respect to Plaintiffs and Class Members' computers: Defendants accessed and obtained control over Plaintiffs and Class Members' Computer Assets; Defendant caused the installation of code on the hard drives of the computers; Defendant deliberately programmed the operation of its code to bypass and circumvent the computer owners' privacy and security controls, to remain beyond their control, and to continue to function and operate without notice to them or consent from them.

169. All these acts described above were acts in excess of any authority Plaintiffs and Class Members granted when visiting websites and none of these acts was in furtherance of Plaintiffs and Class Members' viewing the content or utilizing services on websites. By engaging in deception and misrepresentation, whatever authority or permission Plaintiffs and Class Members may have granted to the Defendants did not apply to Defendants' conduct.

- 170. Defendants' installation and operation of its program used, interfered, and/or intermeddled with Plaintiffs and Class Members' computer systems. Such use, interference and/or intermeddling was without Class Members' consent or, in the alternative, in excess of Plaintiffs and Class Members' consent.
- 171. Defendants' installation and operation of its program constitutes trespass, nuisance, and an interference with Class Members' chattels, to wit, their computers.
- 172. Defendants' installation and operation of its program impaired the condition and value of Class Members' computers.
- 173. Defendants' trespass to chattels, nuisance, and interference caused real and substantial damage to Plaintiffs and Class Members.
- 174. As a direct and proximate result of Defendant's trespass to chattels, nuisance, interference, unauthorized access of and intermeddling with Plaintiffs and Class Members' property, Defendant has injured and impaired in the condition and value of Class Members' Computer Assets, as follows:
- a. by consuming the resources of and/or degrading the performance of Plaintiffs and Class Members' Computer Assets (including hard drive space, memory, processing cycles, and Internet connectivity);
- b. by diminishing the use of, value, speed, capacity, and/or capabilities of Plaintiffs and Class Members' computers;
- c. by devaluing, interfering with, and/or diminishing Plaintiffs and Class
 Members' possessory interest in their Computer Assets;
- d. by altering and controlling the functioning of Plaintiffs and Class
 Members' Computer Assets;

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by compromising the integrity, security, and ownership of Class Members' by forcing Plaintiffs and Class Members' to expend money, time, and resources in order to remove the program installed on their computers without notice or consent. Defendants' conduct constituted an ongoing and effectively permanent impairment of Plaintiffs and Class Members' computers in that Defendants' conduct affected Plaintiffs and Class Members in a substantial amount of their Web-browsing, throughout the Class Period, through the use of LSOs and the artifacts of other exploits described herein that continue to reside on Plaintiffs and Class Members' computers, and through which Defendants Plaintiffs and Class Members each had and have legally protected, privacy and Plaintiffs and Class Members sustained harm as a result of Defendants' actions, in that the expected operation and use of their Computer Assets were altered and diminished on an As a direct and proximate result of Defendants' trespass to chattels, interference, unauthorized access of and intermeddling with Plaintiffs and Class Members' Computer Assets, Plaintiffs, individually and on behalf of the Class, seeks injunctive relief restraining Defendants from further such trespass to chattels and requiring Defendants to account for their use of Plaintiffs and Class Members' Computer Assets, account for the personal information they have acquired, purge such data, and pay damages in an amount to be

CLAIM FOUR: Violation of the Unfair Competition Law ("UCL")

California Business and Professions Code § 17200, et seq.

- 180. Plaintiffs incorporate the above allegations by reference as if fully set forth herein.
- 181. By engaging in the above-described acts and practices, Defendants have committed one or more acts of unfair competition within the meaning of the UCL and, as a result, Plaintiffs and the Class have suffered injury-in-fact and have lost money and/or property—specifically, personal information and the full value of their computers.
- 182. Defendants' actions described above, including False Advertising, are in violation of California Business and Professions Code section 17500, et seq. and violations of the right of privacy enshrined in Article I, Section 1 of the Constitution of the State of California.
- 183. In addition, Defendants' business acts and practices are unlawful, because they violate California Business and Professions Code section 17500, et seq., which prohibits false advertising, in that they were untrue and misleading statements relating to Defendants' performance of services and with the intent to induce consumers to enter into obligations relating to such services, and regarding statements Defendants knew were false or by the exercise of reasonable care Defendants should have known to be untrue and misleading.
- 184. Defendants' business acts and practices are also unlawful in that they violate the California Consumer Legal Remedies Act, California Civil Code, Sections 1647, et seq., 1750, et seq., and 3344, California Penal Code, section 502, and Title 18, United States Code, Section 1030. Defendants are therefore in violation of the "unlawful" prong of the UCL.
- 185. Defendants' business acts and practices are unfair because they cause harm and injury-in-fact to Plaintiffs and Class Members and for which Defendants have no justification other than to increase, beyond what Defendants would have otherwise realized, its profit in fees from advertisers and its information assets through the acquisition of consumers' personal information. Defendants' conduct lacks reasonable and legitimate justification in that Defendants have benefited from such conduct and practices while Plaintiffs and the Class Members have been misled as to the nature and integrity of Defendants' services and have, in fact, suffered material disadvantage regarding their interests in the privacy and confidentiality of their personal

information. Defendants' conduct offends public policy in California tethered to the right of privacy set forth in the Constitution of the State of California, and California statutes recognizing the need for consumers to obtain material information with which they can take steps to safeguard their privacy interests, including California Civil Code, Section 1798.80.

- 186. In addition, Defendants' modus operandi constituted a sharp practice in that Defendants knew or should have known that consumers care about the status of personal information and its privacy but were unlikely to be aware of the manner in which Defendants failed to fulfill its obligation to observe consumers' privacy expressed in their browser settings. Defendants are therefore in violation of the "unfair" prong of the UCL.
- 187. Defendants' acts and practices were fraudulent within the meaning of the UCL because they are likely to mislead the members of the public to whom they were directed.
- 188. As a result, Plaintiffs and the Class have suffered and will continue to suffer damages.
- 189. Further, as a direct and proximate result of Defendant's willful and intentional actions, Plaintiffs and the Class have suffered damages in an amount to be determined at trial and, unless Defendant is restrained, Plaintiffs will continue to suffer damages.

VII. PRAYER FOR RELIEF

Plaintiffs, individually and on behalf of all others similarly situated, pray for the following relief:

- A. Certify this matter as a class action.
- B. Enter judgment in favor of Plaintiffs and Class Members.
- C. Enter injunctive and/or declaratory relief as is necessary to protect the interests of Plaintiffs and Class Members, including reformation of practices and an accounting and purging of wrongfully obtained personal information;
 - D. Award statutory damages to Plaintiffs and Class Members.
- E. Award compensatory damages to Plaintiffs and Class Members in amounts to be proved at trial.
 - F. Award restitution against Defendants in amounts to be proved at trial.

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1	G. Award increased and/or to	reble damages in amounts to be proved at trial.
2	III	s in amounts to be proved at trial.
3	li li	
4	J. Award disgorgement of n	nonies obtained through and as a result of unfair and/or
5	deceptive acts and/or practices and/or unjust enrichment, in amounts to be proved at trial.	
6	13	s Members pre- and post-judgment interest to the extent
7	N m	
8	L. Make such orders or judg	gments as may be necessary to restore to Plaintiffs and
9		acquired by Defendants through wrongful conduct.
10	-{1	s Members reasonable litigation expenses and attorneys
11	fees.	
12	N. Award such other and furt	her relief as equity and justice may require or allow.
13		D
14		Respectfully submitted,
15	Dated this 1 st day of August 2011	
16	January Dankagust 2011	
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