

AMENDED Exhibit 154

PLAINTIFFS' OMNIBUS OPPOSITION TO DEFENDANTS' MOTIONS FOR SUMMARY JUDGMENT

Case No.: 4:22-md-03047-YGR

MDL No. 3047

In Re: Social Media Adolescent Addiction/Personal Injury Products Liability Litigation

Message

From: [REDACTED] [/O=THEFACEBOOK/OU=EXTERNAL
(FYDIBOHF25SPDLT)/CN=[REDACTED]]
Sent: 10/27/2016 12:15:18 AM
To: Chris Cox [REDACTED]; Mark Zuckerberg [REDACTED]; Kang-Xing Jin [REDACTED]; [REDACTED]
[REDACTED]; Ronan Bradley [REDACTED]; [REDACTED]; [REDACTED]; [REDACTED]; Robert Chen
[REDACTED]; Alex Schultz [REDACTED]; Andrea Besmehn [REDACTED]; [REDACTED]
Subject: Re: Core App: H1 Teens Lockdown Goals / Plan Review
Attachments: Teens 2017 - 10.27 Zuck Review vFinal.pdf



Mark,

Attached are the materials for tomorrow's discussion on teens strategy and goals for 2017.

We're about 7 weeks into the Understand process that we kicked off at the beginning of September, so the data, conclusions, and product concepts presented here are initial rather than final. We expect to significantly evolve our thinking over the coming month.

We've focused this conversation on the key 2017 bets that we believe are most likely to set us up for success with teens and kids. We're currently discussing how we'll partner with multiple FBF teams, allocate H1 resources, and set H1 goals. Your feedback on our current thinking will help us use the next 4-6 weeks to work toward the best projects and plans for January.

Thanks,

[REDACTED]

2017 Teens Strategic Focus

Review

10 / 27 / 2016

Our goals for this meeting

- Align on goals for teens
- Share initial research and align on key age and geo segments
- Share initial product proposals for feedback
- Identify key gaps to address over the next 4-6 weeks

H2 Timing leading to H1 Build

- Sept. 8: Kicked off age modeling, Understand sprint
- **Now:** Understand work: Research, Data, Modeling, Legal
- **Now:** Joint planning with partner teams
- Nov. 22: Agree key project goals, partner teams, staffing
- Dec. 7: Confirm plans at H2 reviews
- Dec 15: All Understand research + data lands
- Jan 2: Finalize product goals, build
- Feb: Age Affinity model live in deltoid/dash

Our 2017 Goal & Market Position

2017 Top-Line Goal

- Strategic goal: Time Spent Share
 - What percent of all ≤ 18 smartphone + tablet time is an FB experience?
- Operational metric: Aggregate Total Time Spent
 - e.g. “15 billion minutes/day across FB Family”
 - Built from $MAP * DAP / MAP * TS / DAP$
- Total time is the product of participation and engagement
 - Rewards both Growth and Engagement wins
- Diverse projects can all be sized by contribution to time

We estimate that we have 32% of global youth smartphone time spent

	United States	Western Europe	RoW
Smartphone Daily Hours	23M Android 60M iOS 83M Total	36M Android 40M iOS 76M Total	371M Android 59 M iOS 430M Total
FBF Daily Hours	5.7M Android 7.6M iOS 13M Total	10.4M Android 11.4M iOS 22M Total	131M Android 21M iOS 152M Total
Facebook Inc. Share	25% Android 13% iOS 16% Total	29% Android 28% iOS 29% Total	35% Android 36% iOS 35% Total

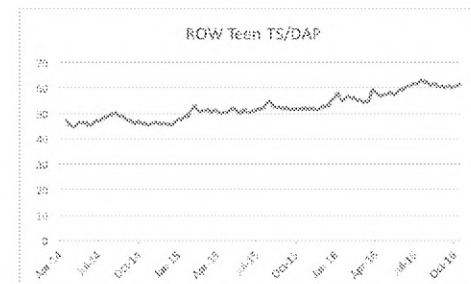
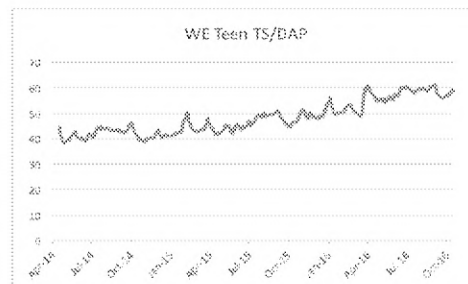
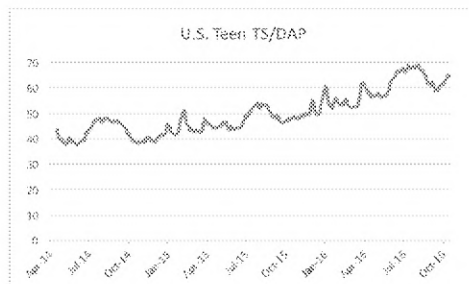
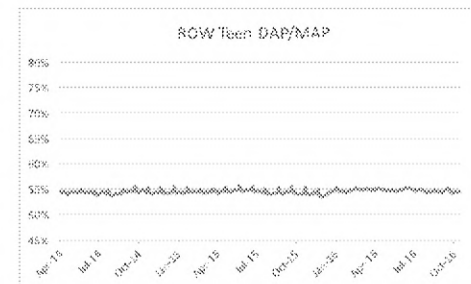
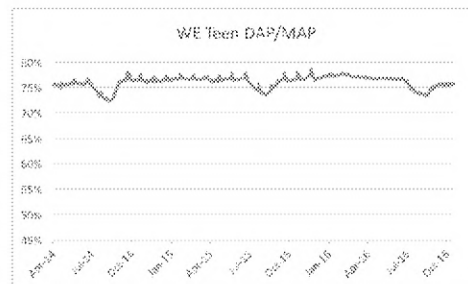
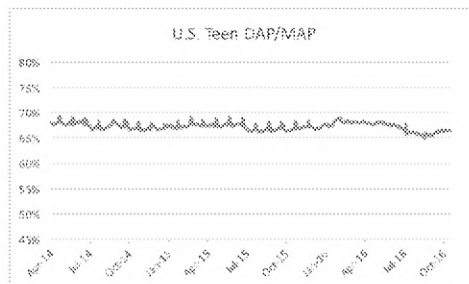
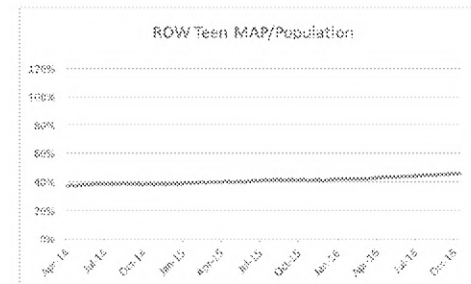
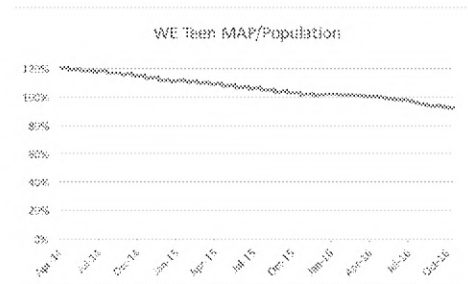
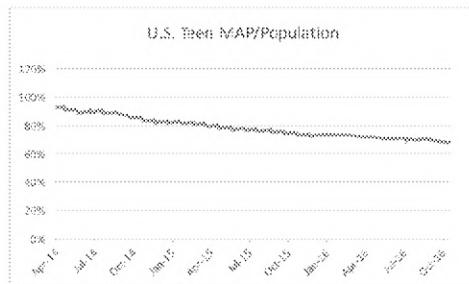
Note: Youth: <=18. Estimates are approximate based on a combination of Onavo and internal data.

The two key drivers of youth smartphone time spent are social and entertainment

Millions of Hours	United States	Western Europe	RoW	Total (M hours)
Social: Broad Sharing	22%	18%	23%	22%
Social: Small Group Sharing	15%	19%	20%	19%
Entertainment: Video	30%	30%	19%	22%
YouTube Only	17%	22%	15%	16%
Entertainment: Gaming	9%	13%	14%	13%
Other	24%	21%	24%	23%
Total (Daily Hours)	100%	100%	100%	100%
Total (Daily Hours)	83M	76M	430M	589M

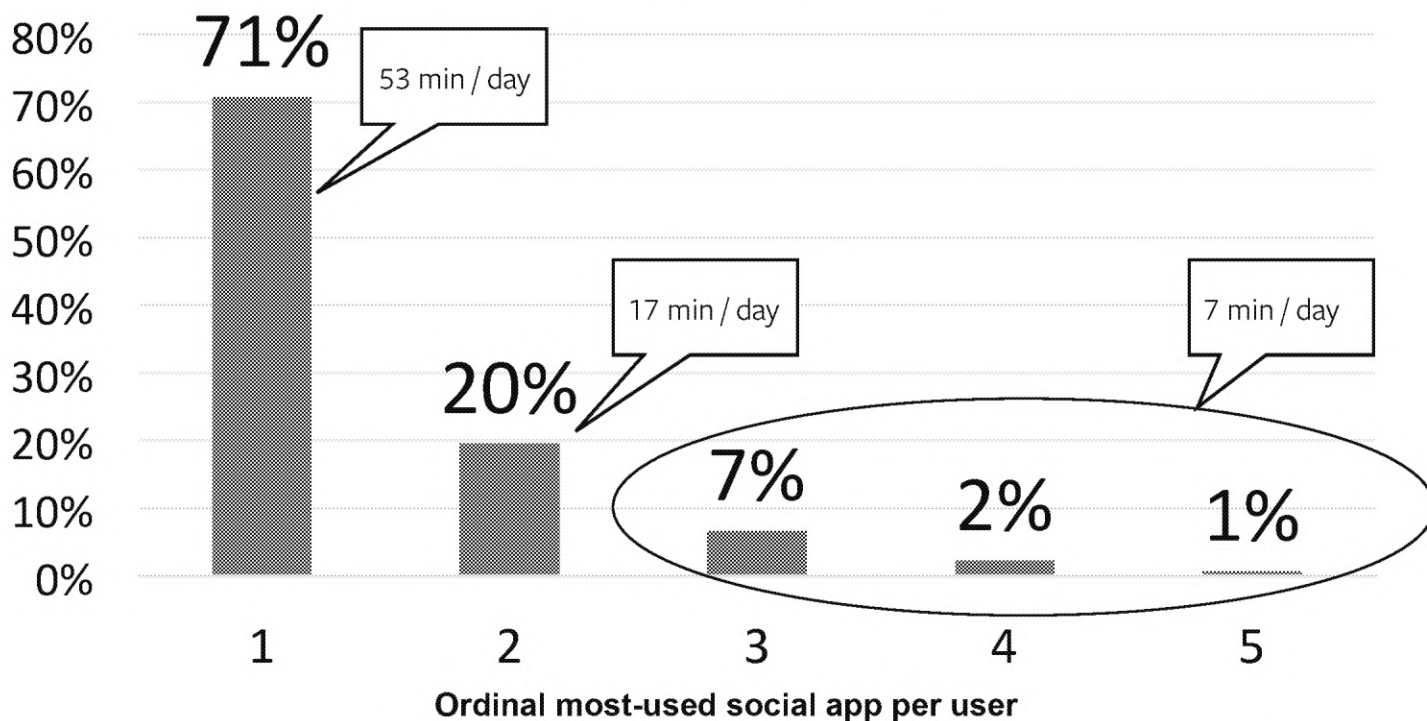
Notes: (1) Youth: <=18. (2) Smartphone inclusive of iOS and Android.

Our MAP, DAP, and TS trends break out clearly by US, EU, and ROW



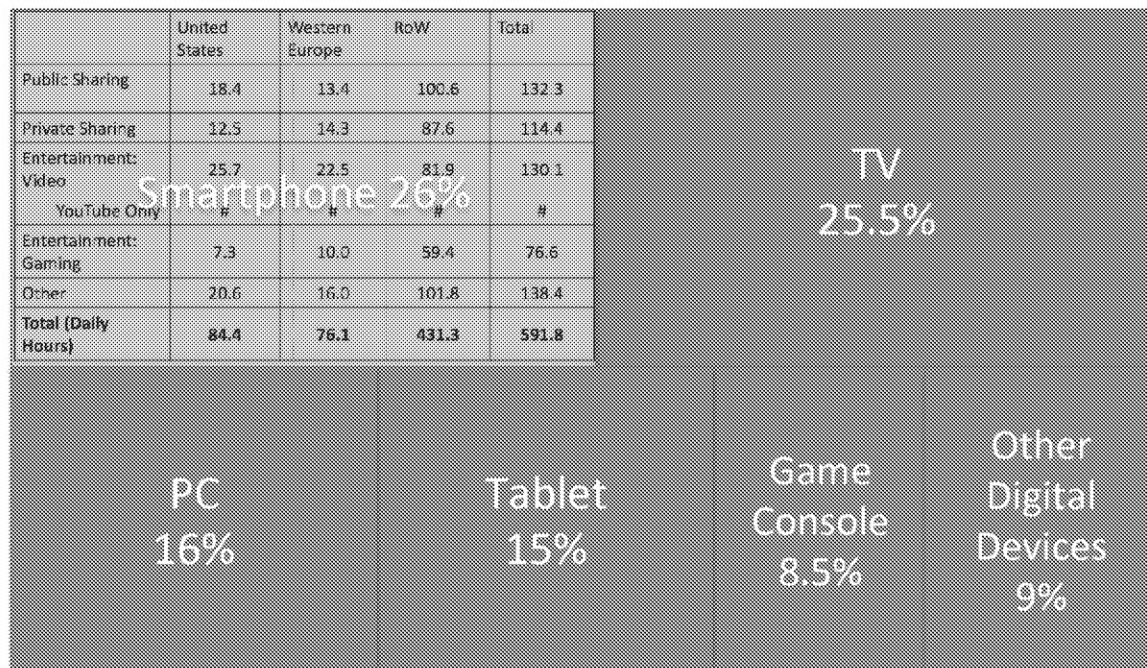
To win social time spent share, being #1 for each user is crucial

Share of Total Daily Time Spent on Social Apps, US Android Teens



Source: Onavo. Note: This analysis is based on 7-day average daily social app usage between 9/2-9/9/2016. While the data shown is for US teens, the trend is relatively consistent across international markets.

Smartphone TS is approx. 26% of developed world youth* digital media consumption



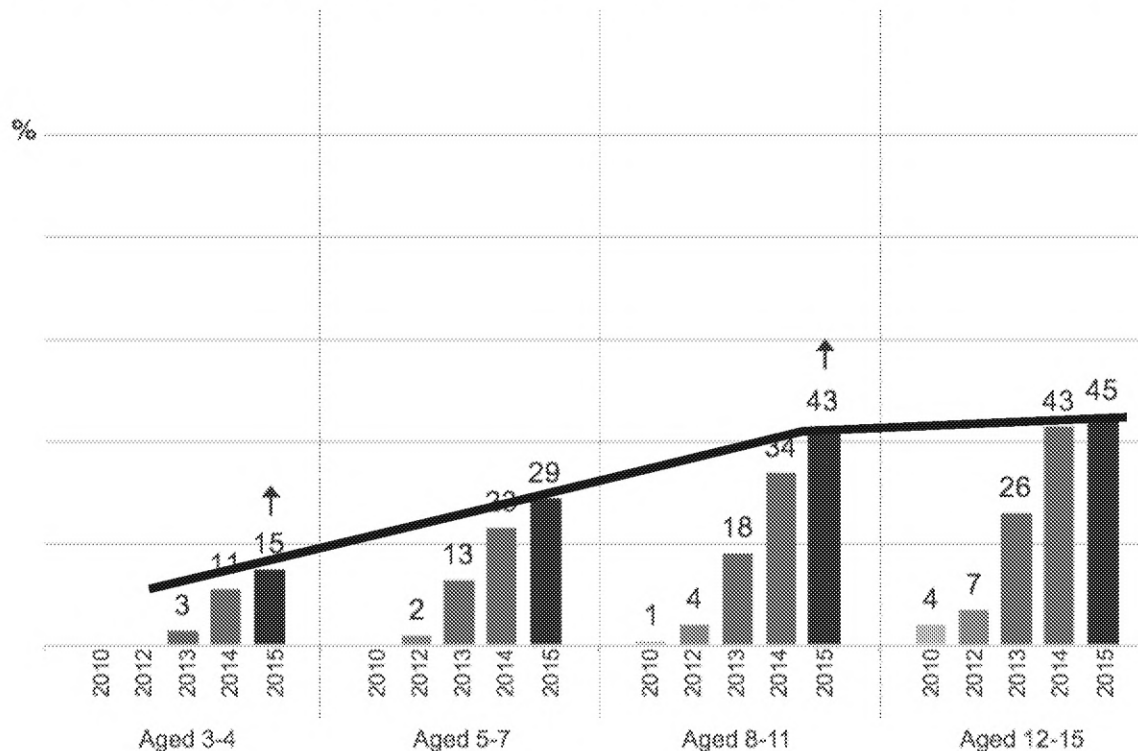
* Youth = <=18. Figure is approximate for US and Western Europe.

Our current results are despite FB choosing not to serve the U13 segment

- All of our youth products are for 13-18+
- In regulated markets we legally restrict access for underage youth
- We have not built and launched any products to serve the significant social and entertainment needs of younger kids
- Tablet and smartphone usage trends continue to push the age of first connected device and first social needs younger

U13: Significant tablet usage starts at 3-4

Tablet ownership, by age of child: 2010, 2012, 2013, 2014 and 2015



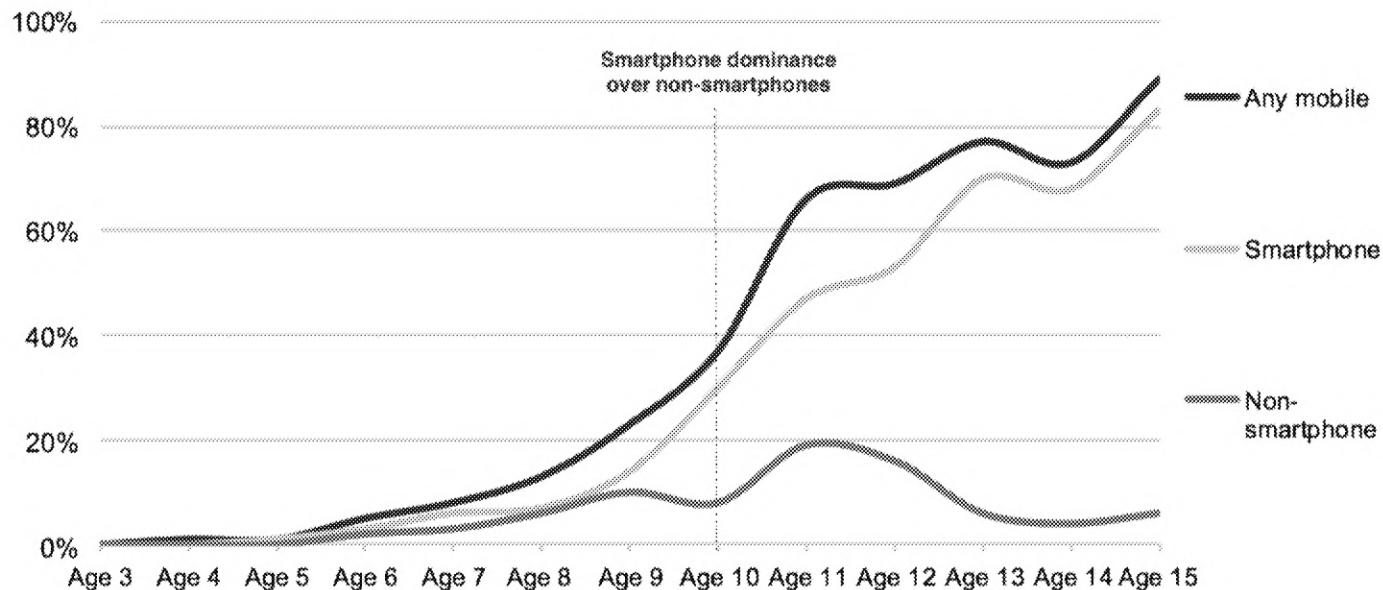
Source: UK data. Ofcom Children and Parents: Media Use and Attitudes Report. November 2015.

Base: Parents of children aged 3-4 (688 in 2015) or 5-15 (1379 aged 5-15, 399 aged 5-7, 492 aged 8-11, 488 aged 12-15 in 2015)
- significance testing shows any change between 2014 and 2015.

Note: Ofcom was established in the British Communications Act of 2003 as “the independent regulator and competition authority for the UK communications industries.”

U13: Smartphones dominate from age 10

Figure 12: Smartphone ownership, by age of child: 2015

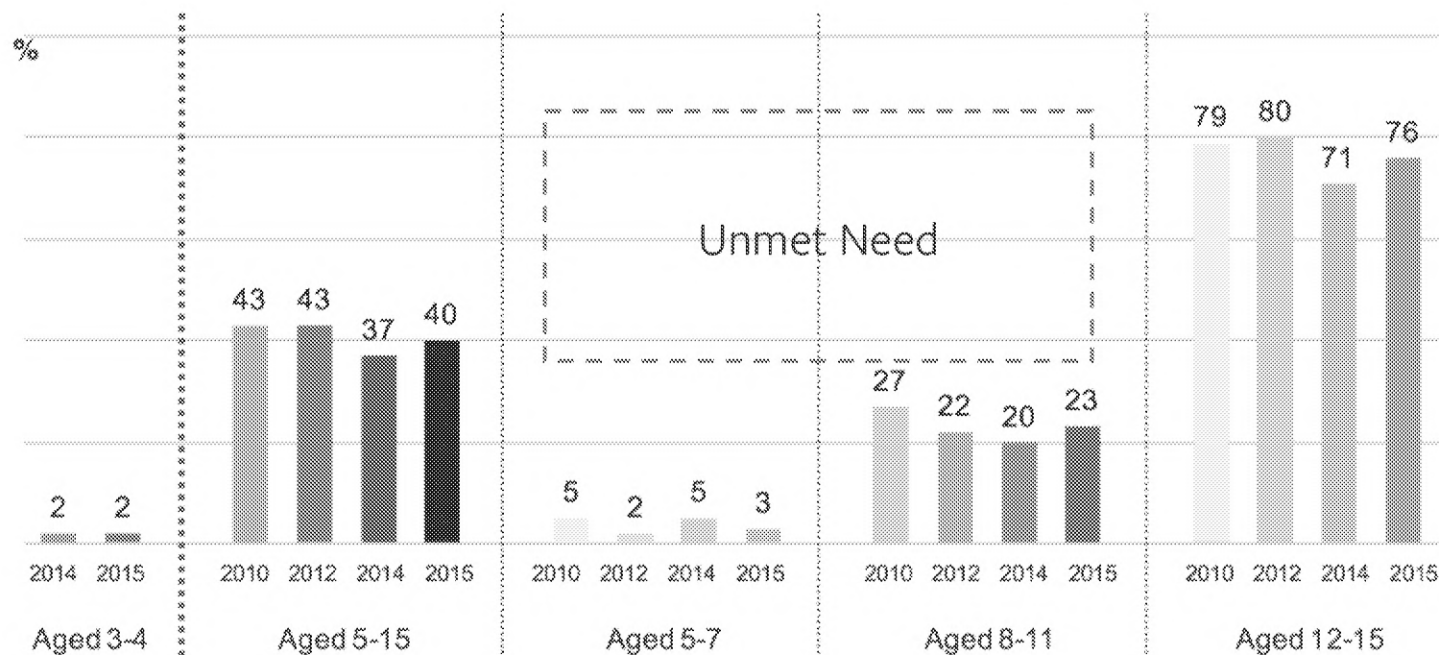


Source: UK data. Ofcom Children and Parents: Media Use and Attitudes Report. November 2015.

Base: Parents of children aged 3-4 or 5-15 (371 aged 3, 317 aged 4, 160 aged 5, 129 aged 6, 110 aged 7, 171 aged 8, 118 aged 9, 94 aged 10, 109 aged 11, 164 aged 12, 108 aged 13, 97 aged 14, 119 aged 15)

U13: Social identity is an unmet need ages 5-11

Figure 48: Children who go online and have an active social networking site profile (2010, 2012) or social media profile or account (2014, 2015), by age



Source: UK data. Ofcom Children and Parents: Media Use and Attitudes Report. November 2015.

Base: Parents whose child ever goes online at home or elsewhere aged 3-4 (262) or 5-15 (1176 aged 5-15, 260 aged 5-7, 441 aged 8-11, 475 aged 12-15).

Significance testing shows any change between 2014 and 2015. Question amended from 2014 to refer to social media sites or apps, previously referred to social networking sites. From 2014 responses are taken from the child aged 8-11 or aged 12-15 rather than the parent

What We're Building & Why

For U13 kids, we should build Facebook One

- **Goal: Grow MAP, DAP, and time spent among U13 kids**
- A new Facebook app
- Visual & text messaging with parents and friends
- Feed of video and entertainment content
- Identity and platform login to power many partner games and apps
- Parents use FB Blue to message, share video, and manage kid account
- COPPA-compliant and launched in the U.S. ~August
- **Rationale:**
 - Market need is growing
 - Lack of clear winner
 - Our strength with parents is valuable
 - Platform login can accelerate adoption by making existing kid apps social and better
 - May give us advantage to retain kids as they become teens

For RoW teens, we should build social video around teen stars

- **Goal: Increase RoW teen time spent**
- Through partnerships, monetization guarantees, and better tools for creators, significantly grow the VoD content from teen stars on Facebook
- Initial pilots underway in Egypt and Colombia
- Targeting ~250 high quality new hours of inventory per country per month
- Time spent goals drive Q2 expansion to 10 MENA, LATAM, APAC countries
- **Rationale:**
 - Teens love video of all kinds, and teen stars produce very engaging and social content
 - Teens interact with these stars like their friends, generating intense social activity around the video content
 - Our teen distribution strength in RoW makes us compelling to teen stars
 - Relative lack of YT focus and low cost in RoW enables easier scaling of content

For U.S. teens, we should bet big on Instagram Direct + Stories to beat Snapchat

- **Goal: Increase U.S. teen time spent**
- Make Instagram Direct and Instagram Stories the best platform for U.S. teen messaging and sharing
- **Rationale:**
 - Messaging + Stories is key to winning social for U.S. teens
 - Instagram is our strongest platform with this audience
 - This is hard but important
 - There may be leverage in Instagram's strength around topical public content + teen interests

For U.S. Teens, we should focus Facebook on high school communal activities

- **Goal: Grow MAP, DAP, and time spent among U.S. teens**
- News and Events
- Group features for clubs & activities
- High school sports: live broadcast + was-live highlights to drive teen and parent social engagement during and after games
- **Rationale:**
 - High school is the key driver of U.S. teen social activity and occupies 6+ hours per day
 - Research indicates that we have “FB” and “non-FB” high schools; tipping schools may be high impact
 - Parents play a big role in extracurricular events and sports fandom -- leveraging where teens and parents are socially aligned may be a viable strategy

On a global basis, we should rebuild core Facebook to work better for teens

- **Goal: Retain MAP and DAP, grow teen time spent**
- Shift feed towards an entertainment-focused surface to better match the interests and needs of teens
- Build a new media composer to create and share GIFs, memes, music clips, and more non-original self expression
- Build a new profile that de-emphasizes timeline and past sharing, and allows greater self-expression and personalization
- Use Stories + Direct for OBPS, and Feed for entertainment and media
- Build audience controls and help new FB teens manage their graph
- **Rationale:**
 - Our entire product needs to evolve into a coherent sharing space that meets key teen needs of social + entertainment
 - For teens, Social biases toward messaging and small-group sharing, and Entertainment benefits from the broad sharing and viral aspects of Feed

Summary: Our big 2017 bets

	U13	Teens
Social	Kid messaging with parents and peers	Win @ Messaging + Stories High School Communities
Entertainment	Kid Video & Entertainment	Video that drives social engagement - Teen Video Stars Entertainment-focused Feed & composer
Foundational Work	Facebook Kid Account + Platform Login	Clean Graph for new FB & IG teens that stays clean Repair Graph for existing FB & IG teens

Things we don't know yet

- How much emphasis on FB vs. IG for teen Stories + Direct?
- If we pivot FB toward entertainment, are we OK with OBPS impact?
- U13 people problem Research is in progress
- IG or WhatsApp or Flash for RoW messenger – how can we help?
- How important is tipping U.S. high schools?
- It's unclear how Messenger can help – everywhere but not 1st anywhere

Discussion