Facebook Privacy Scandal Unleashes Nationwide ‘Litigation Swarm’

Facebook Inc. finds itself in the eye of a rapidly building legal storm over the disclosure of user data to political research firm Cambridge Analytica as lawsuits stack up from users and investors, and regulatory agencies pile on, Bloomberg Technology **reports**.

Reporter **Christie Smythe** quotes Marc Melzer, a New York-based attorney: “Facebook’s having to fight on multiple fronts, with potentially conflicting strategies and obligations, is what will make this ‘litigation swarm’ problematic.” The company will likely “want to move slowly and withhold as much as they can without antagonizing regulators or the courts that are presiding over the suits.”

“Damages could be substantial for shareholders, with one group of investors estimating that at least $50 billion in the company’s market capitalization has been wiped out as a result of the disclosure, which affected 50 million users,” Smythe reports.

Read the Bloomberg Technology article.