Facebook parent Meta fired whistleblower after she criticized inflated, 'out of thin air' AI-revenue prediction, lawsuit claims Meta calls the claims 'without merit'



In late 2022, Facebook parent Meta saw ChatGPT go viral and went all in on developing its own version of generative artificial intelligence. But a whistleblower claims in a new lawsuit that after she pointed out that the social media giant's revenue projections for the technology were inflated by \$1.5 billion — a number pulled "out of thin air" — she was told to drop the matter, harassed, and then fired.

Yuet-Peng Cheong had worked for Meta as a product manager for three years, and in August 2022 moved to the Menlo Park company's department for development of generative AI, a technology San Francisco's OpenAI had been developing and publishing research about for several years. The new position was "a dream come true" for Cheong, but it "quickly turned into a nightmare," said Cheong's whistleblower-retaliation and wrongful termination lawsuit filed last week in San Francisco County Superior Court.

Meta in an emailed statement called Cheong's claims "without merit" and said it would "vigorously defend against them."

Within a few months, OpenAI's public release of ChatGPT pushed Facebook to make generative AI a "top priority," the lawsuit said. The executive in charge of most of Meta's revenue highlighted the importance of the technology, and soon after, Cheong's supervisor, Maryam Gholami, told company data scientists to boost their revenue-growth estimates for ad sales related to generative AI by \$1.5 billion, the lawsuit alleged.

Cheong, believing Gholami was "pulling these new numbers out of thin air," told her "there was no clear path for Meta's generative AI arm to achieve this arbitrary revenue projection increase since the assumptions underlying (the previous projection) remained the same," the lawsuit claimed.

Meta, Cheong fretted, "could potentially use this inflated target to artificially boost its then flailing stock price." But Gholami "swiftly shut down Cheong's concern, commanding her to drop the topic and to stay in her lane," the lawsuit alleged.

Gholami, the lawsuit claimed, feared that Cheong could air her concerns internally or outside the company, and "began to target, undermine, and act toward Cheong with aggression and hostility."

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After Cheong addressed the revenue chief in a meeting, Gholami grew concerned that Cheong might tell the man about the inflated revenue projection, and said she herself was the only one who should talk to him, the lawsuit alleged. Gholami threatened Cheong with a poor performance rating, the lawsuit claimed.

When Gholami learned that Cheong had been chosen to attend weekly group meetings with Meta CEO Mark Zuckerberg to review the generative AI work, Gholami switched herself in for Cheong and "barred Cheong from attending the meetings with Zuckerberg," the lawsuit alleged.

Cheong complained to a manager about Gholami's alleged behavior, but instead of following company policy and referring the issue to human resources, the manager went straight to Gholami, the lawsuit claimed. "Later that same day, Gholami scolded Cheong like a child during a one-on-one meeting," the lawsuit alleged.

In early 2023, Cheong told Gholami and Meta she needed to take emergency leave and go to Malaysia to care for her father, who had just suffered kidney failure, the lawsuit said. Two days later, Gholami emailed and told her to produce an advertising strategy within eight days, the lawsuit claimed.

"Gholami did not only seek to intentionally meddle with Cheong's protected leave, but also overtly intrude on Cheong's care of her critically ill father," the lawsuit alleged. A day later, Gholami told Cheong she was not welcome in any more generative AI meetings, the lawsuit claimed.

When Cheong got back from leave, Gholami tasked her to work on a product that Gholami "expressly told Cheong that she would soon cancel," the lawsuit alleged, calling the purported demotion "a disgraceful way to harass Cheong — and kick her while she was down — just after her father's kidney failure."

Cheong complained again to the manager, and to an executive, and the human resources department, about Gholami's alleged harassment, the lawsuit claimed. A "deficient" investigation by human resources followed, and just after Cheong retained a lawyer to represent her in the probe, she was fired, in June last year, the lawsuit alleged.

Cheong is seeking unspecified damages.