

1 A What was the question? Why did it --

2 Q Why did it take so many times of you demanding
3 that he take it down?

4 A I guess if you read about Robert Paisola, it
5 might let you understand. But I told you, he wanted to 12:04:09
6 like align himself with Ripoff Report.

7 Q And you put align himself in sort of your hand
8 gesture of quotes. What do you mean he wanted to align
9 himself?

10 A Like he was a consumer advocate. Because 12:04:26
11 that's what -- he has some sort of a service -- I
12 forget really what it is -- and it has something to do
13 with maybe credit cards or something. I can't even
14 remember, dealing with your bank or something. And
15 he -- he felt putting that up like kind of helped 12:04:46
16 himself. That's my opinion.

17 Q Why did you not want Mr. Paisola's company to
18 align itself with Xcentric?

19 A Because I didn't want anyone selling the CAP
20 program. 12:05:44

21 Q Why not?

22 A Because I always felt, and still feel today --
23 as I told you last week, I feel anyone who wants to
24 join the program should get it from reading what
25 they've read on the website. If they don't get it, get 12:06:00

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1 the concept, get the idea about keeping customers
2 satisfied, get the idea that admitting you made a
3 mistake is okay and just correct it and show how you
4 made the mistake or how you corrected it is --
5 that's -- if they don't understand that, they shouldn't 12:06:19
6 be applying for the program.

7 Q Are you saying you think people should come to
8 you?

9 A Correct. I shouldn't have to solicit it.

10 Q And is it because you don't think it's 12:06:31
11 appropriate for Mr. Paisola to solicit it that you did
12 not want to align with him?

13 A Especially back in 2006 or '7. And I think
14 this was going on for a while. I didn't want anyone
15 soliciting it for whatever. I just didn't want them. 12:06:49

16 Q Why would Mr. Paisola want to solicit CAP
17 participants?

18 MR. GINGRAS: Objection. Foundation.

19 Q BY MS. BORODKIN: You can answer.

20 A I think I've answered that already. I told 12:07:06
21 you, my opinion is he wanted to try and align himself
22 with something that was good, like -- because he's an
23 advocate, what he does kind of in his business. So he
24 wanted to make it look like he was -- I don't know. I
25 told you it's my opinion. 12:07:24

1 so much ripping off going on in general.

2 I know I got off the question, so...

3 Q That's okay.

4 Following up on that, if a company joins
5 the CAP, and after they join the CAP they do an 13:43:07
6 excellent job of responding to all customer complaints
7 and then they stop having complaints because of their
8 changed better practices, would they pay the same
9 amount?

10 A You know, BBB and other kinds of organizations 13:43:27
11 that are out there which have popped up over the years,
12 it's not really -- well, they don't have a website, but
13 they are like JD Power & Associates or any one of these
14 organizations. They have some sort of fee to be a
15 member, to stay a member because they, too -- whether I 13:43:49
16 like their service or disagree with it, we are
17 different, whatever. They are providing some sort of a
18 service.

19 If you are just even listed with them as
20 a member, they are going to have to respond and answer 13:44:02
21 to problems as a member. So consumers trust that BB
22 torch logo, that JD Power & Associates award that they
23 are given or any organization's seal of approval,
24 VeriSign, anything. They are all the same. They are
25 paying a fee to them to kind of be certified, but 13:44:22

1 nobody can guarantee anything. But they are there to
2 certify, look, you get screwed, some better than
3 others, we are going to make sure it's made right, at
4 least that's the way Ripoff Report is. It's about to
5 verify, Ripoff Report Corporate Advocacy Program.

13:44:41

6 Q Isn't it cheaper for a company to join CAP
7 with as few reports as possible at the time that they
8 join?

9 A Yes.

10 Q So the longer they wait and the more reports
11 go up, the more expensive it's going to be, correct?

13:44:56

12 A Yes.

13 Q Okay. Looking at this page, the fourth and
14 last page of Exhibit 1, category number three, the
15 second questionnaire that Xcentric provides to
16 potential CAP members, is that the questionnaire we
17 talked about earlier today that is contained in the
18 body of an e-mail?

13:45:15

19 A The second -- that questionnaire happens once
20 somebody has let us know after they've received the
21 rates that says, wow, okay, I can afford this. This is
22 fine, or, you know, can you do anything about the
23 payment schedule? Can you give me a break? Oh, I love
24 it. No problem. Please, I want to hurry up. Please,
25 I want to join. What do I have to do?

13:45:44

13:46:03

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1 \$10,000 for. We are going to go by gross sales. So
2 that's never happened; never, never, never, never
3 happened.

4 Q How do you know it never happened?

5 A Because I'm the only one that's ever sold the 13:58:57
6 program to anybody. And I've never, ever, ever, ever,
7 ever asked anybody that question, never, and it's not
8 going to be an e-mail. And you might find some Shmoe
9 or somebody that wants to lie about it like Mr. Mobrez
10 and say I said that on the phone, when clearly there 13:59:19
11 was no conversation on the phone like that.

12 Q Has this mistaken paragraph been in every
13 questionnaire you've ever sent out?

14 A Could be. Yeah, probably is. But again, no
15 one has ever -- like nobody was going to volunteer to 13:59:34
16 me that I would know that that was in there and say,
17 oh, yeah, I see -- I go by gross sale. You know, I can
18 go by gross sales. Nobody wants to tell what their
19 gross sales are, and that's why it was a ridiculous
20 thought to begin with. 13:59:53

21 So how that got put in there, I just
22 don't know. I did it. It was my mistake, so -- so I
23 do have something to thank you for. You are scoring
24 some points with me. I'm going to mark those down.

25 Q Do you think you will change the questionnaire 14:00:08

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1 as a result of this lawsuit?

2 A It will be changed tonight. So don't ask the
3 original -- you got the original. So don't ask, well,
4 I want you to preserve it or whatever, you know,
5 it's -- I'm going to have to -- it's a PDF, I think, or 14:00:22
6 something else like that.

7 Q Okay. Why don't we go back to Exhibit 1, the
8 last page and fourth page of Exhibit 1 again. Here, I
9 think it's this.

10 A Oh, thank you. 14:00:48

11 Q Sure.

12 Topic number three, the second
13 questionnaire, can we -- could you point out in Exhibit
14 8 where you think the second questionnaire might be, if
15 it's there. 14:01:07

16 A I don't think it's there because -- I mean, I
17 can't remember. Like I told you, I thought this was
18 somebody that maybe just signed up last week. So, you
19 know, there's a lot of companies out there with similar
20 names. That's ridiculous. So in my mind being -- 14:01:24
21 what's the word I'm looking for -- dealing with so
22 much, it's easy for me to make a mistake.

23 Q Did anyone sign up for CAP last week?

24 A No, I don't know. No, no, I don't have -- no,
25 they didn't sign up. I don't know. I could send out a 14:01:44

1 being facetious here but -- and I shouldn't be, but --

2 Q I'm just trying to understand how the contract
3 works.

4 A The contract is very simple and
5 straightforward. You don't need an attorney to 14:11:04
6 understand it.

7 Q How many pages is the contract?

8 A Seven.

9 Q Who signs on behalf of Xcentric Ventures, LLC?

10 A I do. 14:11:31

11 Q Do you have these signatures witnessed?

12 A No.

13 Q Do you have it notarized?

14 A No.

15 Q Who keeps copies of the contract? 14:11:46

16 A The CAP member, I would assume. They would
17 keep a copy. And, of course, I keep a copy.

18 Q Anyone else?

19 A No.

20 Q Who administers the contract? 14:12:01

21 A Administers?

22 Q Who keeps -- didn't you testify last week
23 typically the contracts are for a 36-month term?

24 A Correct.

25 Q And didn't you testify last week that the 14:12:20

1 contract typically requires a monthly payment?

2 A Yes.

3 Q Who keeps track of the payments that come in
4 under these contracts?

5 A I do.

14:12:34

6 Q How about the gal you spoke about this morning
7 who's responsible for payroll? Does she help with
8 that?

9 A Not at all. Absolutely not.

10 Q And how do you keep track of the payments?

14:12:46

11 A It's in my little spreadsheet.

12 Q Where is the spreadsheet?

13 A It's on my computer.

14 Q Is it at your office?

15 A Yes.

14:13:05

16 Q How do you keep track of the bills you pay for
17 Xcentric?

18 A They sit in a pile, and I pay them. That's
19 what I do. You know, there's -- how do I keep track of
20 them? They are in track. They are in a -- in a pile.

14:13:45

21 Q Do you keep a spreadsheet for paying bills the
22 way you keep a spreadsheet for tracking the payments
23 that come in?

24 A No. No.

25 Q Why not?

14:13:57

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1 search your e-mail and find out?

2 A Yes. Uh-huh.

3 Q Last week, I believe you said something like,
4 you've never successfully partnered with any other
5 entity to market the CAP. Do you remember saying that? 14:46:22

6 A Just let me write this down. I'm sorry. I'm
7 sorry. Go ahead. Just one more time.

8 Q Last week at the 30(b)(6) deposition of
9 Xcentric, we asked, have you ever partnered with
10 anyone. And I believe you said something to the effect 14:47:00
11 of not successfully. This is regards to the CAP. And
12 I want to ask you, do you remember saying something
13 like that last week?

14 A Yeah. It was because nobody else has ever
15 actually sold anybody the program. 14:47:20

16 Q Have you ever had -- have you ever tried to
17 have anyone else sell the program?

18 A I have been through so much. Unless you got
19 something that can refresh my memory, I -- you know, I
20 know there's -- attorney generals have recommended. I 14:47:44
21 mean, there is people that recommend the program all
22 the time. So I've talked about it many times about
23 trying to market or to do something. But like I said,
24 I always come down to the same conclusion, if they
25 don't get it -- this is something if they are not 14:48:11

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1 read the whole thing. There is no way I could read
2 something that long.

3 Q Is it true that Ripoff Report pays Google to
4 get higher rankings in search results?

5 A No. Where are you getting that from? 15:23:48

6 Q Is it true?

7 A Well, I wouldn't even know who to send the
8 check to, so -- so the answer is no.

9 Q Do you get checks from Google for AdSense?

10 A No. 15:24:01

11 Q Do you get checks from AdSense?

12 A No.

13 Q Do you split revenues with Google for
14 referrals to links?

15 A I wish that was true, but no. 15:24:09

16 Q Does Xcentric get any money from advertising
17 on RipoffReport.com?

18 A Yes.

19 Q Does Xcentric get any money from link
20 referrals to other sites? 15:24:23

21 A I wouldn't -- I really wouldn't know that.

22 Q Who would know that?

23 A Who would know that? Ben Smith would know
24 that.

25 Q Who writes the titles to Ripoff Reports? 15:25:06

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