

1 UNITED STATES DISTRICT COURT
2 CENTRAL DISTRICT OF CALIFORNIA

3 ASIA ECONOMIC INSTITUTE, LLC, a)
4 California LLC; RAYMOND MOBREZ,)
5 an individual; and ILIANA)
6 LLANERAS, an individual,)
7 Plaintiffs,)
vs.) Case No:
8 XCENTRIC VENTURES, LLC, an) 2:10-cv-01360-SVW-PJW
9 Arizona LLC, d/b/a as BADBUSINESS)
BUREAU and/or)
10 BADBUSINESSBUREAU.COM and/or)
RIP OFF REPORT and/or)
11 RIPOFFREPORT.COM; BAD BUSINESS)
12 BUREAU, LLC, organized and)
13 existing under the laws of)
14 St. Kitts/Nevis, West Indies;)
15 EDWARD MAGEDSON, an individual,)
16 and DOES 1 through 100,)
17 Inclusive,)
18 Defendants.)
)

19 Videotaped Deposition of EDWARD MAGEDSON,
20 taken on June 8, 2010 at the offices of
21 Jaburg & Wilk, P.C., 3200 North Central
22 Avenue, Suite 2000, Phoenix, Arizona,
23 commencing at 10:07 a.m. before Marcella
24 Daughtry, RPR and Arizona Certified Reporter.
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1 THE VIDEOGRAPHER: We are going off the
2 record. The time is 10:46 a.m.

3 (A short recess ensued.)

4 THE VIDEOGRAPHER: We are back on the
5 record. The time is 10:48 a.m. 10:48:16

6 THE WITNESS: I think you need to
7 clarify. I don't know what you mean by web history. I
8 want to make sure we have a full understanding of what
9 we are talking about.

10 Q BY MS. BORODKIN: Suppose a page was published 10:48:27
11 in 2005. Would you have any way to look up what that
12 page said?

13 A It's on the website. Anyone can look it up.

14 Q Are you saying all pages that have ever been
15 published on the website are currently there right now? 10:48:41

16 A We've been under attack over the years, and
17 our system was brought down. Could I say -- I would
18 like to think everything is there. You know, there is
19 nothing that we delete so -- and you know that. We
20 don't delete anything, I think you know that. 10:49:06

21 Q Aside from the attacks from outside hackers
22 and aside from technical problems, has Xcentric ever
23 deliberately taken down web pages from
24 RipoffReport.com?

25 A Deliberately, we don't deliberately take 10:49:27

1 things down. If a judge asked us to take something
2 down, it's been taken down and then I reversed and put
3 back up. If something had a bunch of foul language and
4 was put up accidentally or was -- insulted possibly a
5 religious group or it was just totally nonsense, it 10:50:12
6 could have been taken down. Something had a bunch of
7 foul language, it could have been taken down.

8 Sometimes people hit the submit button.
9 And I think this was a problem years ago, not now; they
10 would click a submit button twice or three times, and 10:50:35
11 the report would just be repeated. So we would be
12 notified about that if somebody didn't catch it, and
13 they would be taken down.

14 Q Any other reasons?

15 A I better not say no, because there could be 10:51:00
16 something I'm forgetting about, but I can't remember --
17 I can't remember for what other reason. So if I think
18 of something, I'll let you know. But there could be,
19 so...

20 Q Okay. Who makes the decision whether to take 10:51:15
21 pages down for reasons that include a judge orders it
22 taken down, foul language, insulting to a religious
23 group, being nonsense or being a duplicate?

24 MR. GINGRAS: Object to the extent it
25 calls for attorney-client privilege. 10:51:38

1 If there is material that wasn't
2 involved in a discussion between you and your lawyers,
3 then you can answer.

4 THE WITNESS: If I got an e-mail, oh,
5 please look at this; there is nothing. It's very anti 10:51:52
6 whatever, I mean, or it was disgusting or something, I
7 mean, I would just make the decision. Of course, if a
8 judge orders something or there is something through my
9 attorneys, it just has to come down, but, you know,
10 then it would come down. 10:52:19

11 Q BY MS. BORODKIN: Aside from your attorneys --
12 and without talking about any discussions you've had
13 with your attorneys -- is there anyone besides you
14 personally who would make the decision to take
15 something down from RipoffReport.com? 10:52:32

16 A Nobody.

17 Q Has there --

18 A Just me.

19 Q Has there ever been anybody --

20 A No. 10:52:37

21 Q -- else?

22 A No.

23 Q What does a content monitor do?

24 A They are the ones that activate the reports.

25 They are supposed -- they are human, so they can make 10:52:54

1 you.

2 Q Oh, I thought you were referring to Sergei
3 Brin?

4 A No, no, no. I'm saying you should ignore him
5 because it's payback. 11:02:43

6 Q You are saying I should ignore my co-counsel?

7 A He ignored you last week.

8 Q Okay. You mentioned a secretary in your
9 explanation about who these future insistent
10 complainers writing reports about people who were 11:03:10
11 already in the CAP program were?

12 A Excuse me. You mentioned your secretary?

13 Q No, a secretary. You were talking about
14 customers who were disgruntled, how you could satisfy
15 them by refunding their money, perhaps the customer 11:03:24
16 would change their mind about posting a Ripoff report,
17 and I think you mentioned a secretary, no?

18 A I don't think so, but maybe it's something
19 that came out of my mouth and sounded like it and you
20 misunderstood. I don't know what you mean. 11:03:41

21 Q That's okay. Maybe I did.

22 My question is, for people who are in
23 the CAP program who don't have customers, do you think
24 there are people in the CAP program or could be
25 eligible in the CAP program that are businesses that 11:03:57

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1 their safety or life; isn't that right?

2 A Correct.

3 Q And if Tina Norris told you I've got a crazy
4 stalker who murdered his wife, he has written 300
5 reports about me, is that someone you'd wanna help? 16:35:39

6 A If I knew for sure -- yes. In answer to your
7 question, yes, it would be somebody I'd want to help.

8 Q How could we make you sure that this situation
9 is as she's described it?

10 A How could I be made sure? If I had a crystal 16:35:56
11 ball that worked; I was psychic or -- there is no way
12 for me to know. If you can imagine, I get all kinds
13 of -- there is no way for me to sift through or play
14 judge and jury on what's right, what's wrong and who
15 says what. 16:36:21

16 Because I've entertained it in the past,
17 and every time, it ended up being -- you know, because
18 sometimes when I'm not as busy, I'll entertain some
19 thought to looking into something. And it's -- never
20 ends with -- with something positive. It's they've 16:36:44
21 lied to me. Did Tina lie to me? I have no idea.

22 Q Remember Sergei Brin?

23 A Okay.

24 Q How is he different from Tina Norris?

25 A Because I got the threatening phone calls from 16:36:59

1 the individual who was doing it and told me he was
2 doing it. He said he was -- I'm going to file a report
3 about one of the owners of Google. I don't even know
4 their name. I remember I had to go find out who the
5 owners of Google were so I could be on the lookout for 16:37:19
6 it. So, again, I remember this particular incident.

7 And, you know, there is over 500,000
8 Ripoff reports, and this particular incident I know
9 about, because this nut job who called me threatened
10 it. If somebody called me and threatened me that they 16:37:37
11 were going to file a Ripoff report about you because
12 you had something to do with me, Google in a way has
13 something to do, and they want to make Google pay
14 for -- like I would pay for because the Internet is
15 there and Ripoff Report is there. So it's -- and the 16:37:54
16 report was not removed.

17 Q Which report?

18 A The report about Sergei. You keep saying it
19 was removed. It was not removed.

20 Q Okay. I don't want to give you misleadingly 16:38:19
21 partial set of facts about Tina Norris, so I'm going to
22 represent on the record that I have documents. I'm
23 going to provide them as soon as I can to your lawyer.
24 And the documents, would you like me to list them out
25 that are e-mails to you? I know you can't authenticate 16:38:41

1 Q Okay. What if I told you -- and I know this
2 sounds like a hypothetical, but it isn't -- that
3 according to her, this Lupe has filed over 300 reports
4 against her and that's what she is doing wrong?

5 A Can I just tell you something? 16:45:58

6 Q Sure.

7 A If I'm -- well, there's no question pending,
8 so there is no sense in me telling her.

9 Q There is a question.

10 A What's the question?

11 MS. BORODKIN: Could you read back the
12 question.

13 (The requested portion of the record was
14 read by the court reporter.)

15 THE WITNESS: Okay. That sounds like a 16:46:24
16 statement, not a question.

17 Q BY MS. BORODKIN: All right. I'm telling you
18 that.

19 A Okay. So what's your question?

20 Q Are you going to take down the reports? 16:46:32

21 A Because she's telling me that? The answer to
22 that question is no.

23 Q Under what circumstances would you take down
24 the reports?

25 A They wouldn't come down. They wouldn't -- in 16:46:45

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1 answer to your question, they -- they wouldn't come
2 down. She could file a rebuttal.

3 Q Would she have to file a separate rebuttal for
4 each of the over 400 reports?

5 A Right. If somebody had the time to write 16:47:16
6 them, which I doubt -- I find it mind-boggling that
7 somebody would do that with their time, so...

8 Q What's the -- what is the best rate you would
9 give her if she's bankrupt for CAP?

10 A What would the best rate that I would give her 16:47:32
11 if she's bankrupt?

12 Q If she is?

13 A And we investigate it, which probably did, and
14 found that the IP addresses or e-mail addresses were
15 not different, I wouldn't do anything for her. Because 16:47:45
16 if she told me that, I'm sure I had a check run on
17 this, that what she was saying wasn't true.

18 Q How can you be sure?

19 A In my 12 years of experience, 98 percent of
20 everybody always says it's a competitor or the same 16:48:16
21 person that -- they either say it's a competitor or
22 it's the same person that filed it; they have a grudge
23 against me. Okay.

24 Is it possible that somebody would make
25 up two or three or four e-mail addresses and go to 16:48:33

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