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5 Attorneys for Third Party  
 IPVALUE MANAGEMENT, INC.

6 UNITED STATES DISTRICT COURT  
 7 NORTHERN DISTRICT OF CALIFORNIA  
 8 SAN FRANCISCO DIVISION  
 9

10 GOOGLE, INC., and YOUTUBE, LLC,  
 11 Plaintiff(s),  
 12 v.  
 13 IPVALUE MANAGEMENT INC.,  
 14 Defendant.  
 15

Case No. C11-80016 MISC RS (BZ)

**DECLARATION OF KEITH M.  
 WILSON IN SUPPORT OF THIRD  
 PARTY IPVALUE MANAGEMENT,  
 INC.'S OPPOSITION TO GOOGLE,  
 INC.'S AND YOUTUBE, LLC'S  
 MOTION TO COMPEL  
 PRODUCTION OF DOCUMENTS**

1 I, Keith Wilson, declare as follows:

2 1. I am a Senior Vice President, Legal at IPVALUE Management, Inc.  
3 (“IPVALUE”). I submit this declaration in support of *IPVALUE's Opposition To Google, Inc.'s*  
4 *and YouTube, LLC's Motion To Compel Production of Documents from Third Party IPVALUE*  
5 (“Opposition”). I have personal knowledge of the facts set forth herein, and, if called upon to  
6 testify thereto, I am competent to do so and would do so.

7 2. Prior to joining IPVALUE, I held various roles in the field of patent law  
8 including General and IP Counsel at Solus Micro Technologies and Chief Patent Counsel at  
9 Litton Industries. My practice generally involved counseling and advocacy regarding patent  
10 commercialization, and related assertion, litigation, and negotiation of contracts. I have been  
11 practicing in this area since 1994.

12 3. I have been the Senior Vice President, Legal at IPVALUE since 2002. In  
13 this capacity, I am the head of the small number of attorneys who provide legal advice and  
14 counseling to IPVALUE (“Legal Group”). From my experience, I equate the attorneys in the  
15 Legal Group as being “in-house counsel” to IPVALUE. These attorneys bear the title “IP  
16 Counsel.” I provide this declaration in part to edify the Court regarding IPVALUE’s business  
17 model, and the duties and functions of the IP Counsel within IPVALUE’s Legal Group. In  
18 addition, I provide this declaration because I am one of the “custodians” identified by Google,  
19 and because four of the other custodians identified, Paul Riley, Sanjay Prasad, Mitch Rosenfeld,  
20 and Steven Shin, all served as IP Counsel in my group during their tenure at IPVALUE.

21 4. In my capacity I am personally aware of IPVALUE’s business model. It  
22 should be understood that IPVALUE is not an assignee or owner of the patents at issue, and  
23 IPVALUE has no ownership interest whatsoever in Xerox Corporation (“Xerox”). The business  
24 of IPVALUE consists of two major components: (1) the identification of patent  
25 commercialization opportunities, and (2) the conduct of the licensing or sales that comprise that  
26 commercialization. These functions are led and primarily conducted by the “Technology and  
27 Operations Group,” and the “Licensing Group,” respectively. The Technology and Operations  
28 Group includes generally non-attorney technical and financial specialists. Their role includes the

1 identification of patent commercialization opportunities and the gathering of information about  
2 products and businesses of potential licensees. The Licensing Group focuses on license  
3 negotiations, and its members are typically designated as “Vice President, Licensing.” or similar  
4 titles including the word “Licensing.” The members of the Licensing Group are both attorneys  
5 and non-attorneys. However, the attorneys perform business functions and, with some  
6 exceptions, do not provide legal advice to IPVALUE.

7           5.       During the period relevant to the matter at bar, neither Sanjay Prasad,  
8 Mitch Rosenfield, nor Steven Shin held any position in either the Licensing Group or the  
9 Technology and Operations Group. Each of these gentlemen served as IP Counsel in the Legal  
10 Group.

11           6.       The situation is different with Paul Riley. Mr. Riley once held the position  
12 of “IP Counsel.” However, during the period which is relevant to the matter at bar, Mr. Riley  
13 switched positions – leaving the Legal Group, and moving to the Licensing Group. Indeed, Mr.  
14 Riley led licensing negotiations with Google. This is the reason that during our “meet and  
15 confer” efforts with Google, we offered and agreed to identify Mr. Riley as a “Custodian,” and  
16 both his “internal” and “external” communications have been (or will be imminently) produced  
17 to Google. In other words, IPVALUE has never sought to exclude Mr. Riley from the document  
18 production because we recognized that for part of the time, he has been in the Legal Group, and  
19 for part of the time, he has been in the Licensing Group.

20           7.       The Legal Group focuses on providing legal advice to the company, and  
21 its members are designated as “IP Counsel” or “Vice President, IP Counsel”, depending on  
22 experience level. Their duties are to advise the company regarding legal issues, such as patent  
23 infringement theories, and defenses to patent assertion. The IP Counsel are not members of  
24 Technology and Operations Group or the Licensing Group, but they provide legal advice and  
25 services to both groups.

26           8.       The job duties of an IP Counsel are to provide legal advice to IPVALUE.  
27 The vast majority of these activities include advising the company regarding patent legal issues  
28 or other legal issues. For example, an IP Counsel will advise the Technology and Operations

1 Group regarding evidence that could be used to demonstrate that a product infringes a certain  
2 patent. To do this, the IP Counsel may review and analyze various rules of patent claim  
3 construction, infringement, or validity. In large part I say “vast majority” because an IP Counsel  
4 may perform administrative or other functions (it is a small company of 39 employees, only two  
5 of whom are administrators) that do not relate at all to the issues at bar in the lawsuit. These  
6 communications with the Technology and Operations Group are internal to IPVALUE (part of  
7 what we refer to here as “INTERNAL COMMUNICATIONS”).

8 9. In short, IPVALUE is organized such that members of the Legal Group  
9 wear a “Legal” hat, and do not wear a “business” hat. With respect to the Xerox / Google  
10 assertion, neither I nor Mr. Shin, Mr. Prasad, or Mr. Rosenfield have worn the “business” hat –  
11 our role has strictly been providing legal advice wearing the “legal” hat.

12 10. As it pertains to the matter at bar, the IP Counsel (Prasad, Rosenfield, and  
13 Shin) may have also participated in negotiations led by the Licensing Group, typically by  
14 advising the Licensing Group member (e.g. Mr. Riley) and by presenting claim charts to a  
15 potential licensee and its attorneys. Advice to the Licensing Group form part of our INTERNAL  
16 COMMUNICATIONS. Copies of presentations made to potential licensees are part of what we  
17 refer to here as “EXTERNAL COMMUNICATIONS”. In addition, Xerox may have requested  
18 that IPVALUE generate materials, such as claim charts, for review by Xerox counsel prior to the  
19 use of similar materials by IPVALUE in negotiations. In such a case, the IP Counsel typically is  
20 responsible for generating and providing the material that is suitable for such a review. We also  
21 group these documents into the group called EXTERNAL COMMUNICATIONS. With respect  
22 to the IP Counsel, all of these EXTERNAL COMMUNICATIONS have been gathered and have  
23 been or are being produced to Google as agreed, including creating privilege logs as appropriate.

24 11. During the course of negotiations with Google, IPVALUE likely received  
25 arguments in response to its patent assertion, such as arguments that the products at issue do not  
26 infringe the patent, or that the patent is not valid. The IPVALUE IP Counsel involved at the time  
27 would have advised the company regarding the merits of Google’s response, and was sometimes  
28 asked to participate in meetings to communicate IPVALUE’s response to Google. In my

1 experience, such a limited support role would analogously be provided by “in-house” or outside  
2 counsel during negotiations. Indeed, in the matter at bar, the Licensing Group (Mr. Riley)  
3 performed the “business functions” by leading the licensing negotiations, and any participation  
4 by a Legal Group member was strictly to provide advice and counseling to IPVALUE before,  
5 during, and after negotiations – and to explain legal positions and answer legal questions from  
6 Google’s team.

7           12. Here, when analyzing the role of an IP Counsel, it is important to  
8 understand that an IP Counsel performing his/her duties would have generated INTERNAL  
9 COMMUNICATIONS (strictly within IPVALUE) and EXTERNAL COMMUNICATIONS (to  
10 Xerox (in this case), and to other third parties). In the matter at bar, IPVALUE has produced its  
11 EXTERNAL COMMUNICATIONS to Google. In the matter at bar, the Court is determining  
12 whether in response to this Third Party Subpoena - IPVALUE will be required to produce its  
13 Legal Group’s INTERNAL COMMUNICATIONS.

14           13. I am mindful of my obligations under the Federal Rules of Civil  
15 Procedure, i.e., Rule 11 and 26(g). As a result, it is difficult for me to quantify the percentage of  
16 strictly privileged communications for each Legal Group IP Counsel. However, because the  
17 entire internal function of an IP Counsel is to provide legal advice, I believe that a very high  
18 percentage of the internal data and documents of IPVALUE’s IP Counsel will relate to advice  
19 and counseling to other IPVALUE personnel. Although I have never quantified this percentage,  
20 I am comfortable estimating that well over 90 percent of the documents generated and received  
21 by each IP Counsel for each matter involved are for purposes of the IP Counsel providing legal  
22 advice to the company. This is the natural result of the function of IP Counsel in the company.

23           14. I am one of the “custodians” whom Google is seeking the Court to order  
24 production of my INTERNAL COMMUNICATIONS. I have been the head of the Legal Group  
25 at IPVALUE throughout IPVALUE’s work in connection with the Xerox/Google assertion. My  
26 personal involvement with this project has included nothing except legal advice in connection  
27 with the patent assertion. I have advised the company regarding infringement of Xerox’s patents  
28 by Google and Yahoo. I participated in a few telephone calls with Google in connection with

1 this assertion, and I advised the company regarding preparation for these meetings. I have  
2 advised the company regarding the counter-arguments presented to IPVALUE.

3           15. My documents in the Xerox/Google project were generated in the course  
4 of providing legal advice regarding the project. The documents relate to the assertion of Xerox's  
5 patents against Google and Yahoo, and the related issues of patent claim construction,  
6 infringement, validity, and damages. With the exception of documents communicated with  
7 Google or Yahoo, the vast majority of these documents are privileged. Although I have not  
8 conducted a formal privilege review, I am comfortable estimating that more than 90 percent of  
9 my "responsive" documents in this project would be considered privileged.

10           16. It is my understanding that the Court has expressed concern that  
11 IPVALUE's IP Counsel are, in a sense, serving as in-house counsel for Xerox and may have in  
12 its custody information that Xerox is required to produce, such as information required to be  
13 disclosed by patentees under the Patent Local Rules. First, IPVALUE is not serving as legal  
14 counsel to Xerox. Xerox has its own in-house counsel, including counsel who are designated to  
15 support Xerox with respect to Xerox's assertion against Google. Second, I am familiar with the  
16 relevant Patent Local Rules, and the types of documents that are required to be disclosed are not  
17 the types of documents that IPVALUE possess; those documents, if they exist, are in the hands  
18 of Xerox, who is the owner of the patents, and not in the hands of IPVALUE. Accordingly,  
19 Xerox holds the patent-owner's records regarding development and ownership of the patent.  
20 Xerox also holds any documents relating to whether Xerox is practicing the asserted patent.  
21 IPVALUE's role as a licensing agent did not give IPVALUE any ownership interest in the  
22 asserted patent, nor did it give IPVALUE possession of the patent-owner's records or any other  
23 documents called for by the Patent Local Rules of the Northern District of California.  
24 Moreover, in the event that IPVALUE was provided any of such documents, then those  
25 documents would be provided in communications from Xerox, and such documents would fall in  
26 the category of EXTERNAL COMMUNICATIONS, which, as stated above, have already been  
27 gathered for production. Any subsequent INTERNAL COMMUNICATIONS regarding that  
28

1 information, assuming that information exists or ever existed in IP Counsel files, invariably  
2 would be privileged communications.

3 17. In the matter at bar, as it pertains to the EXTERNAL  
4 COMMUNICATIONS that IPVALUE has gathered and produced, IPVALUE has received an  
5 Invoice for approximately \$51,000 for January 2011 services from the legal counsel conducting  
6 the privilege and confidentiality review. I expect to receive additional Invoices for similar  
7 amounts for February and March services as well.

8 18. In addition, we have estimated that the amount of data that will be  
9 collected and processed by our Electronic Discovery Vendor will be at least seven (7) gigabytes  
10 of data (this does not include the collection of Shin's, Prasad's, Rosenfield's, or my data). The  
11 amounts listed below are "cut and pasted" from the Estimate that we have received from the  
12 Electronic Discovery Vendor's Contract, to wit:

<b>Estimated Amount of Data</b>	<b>7GB</b>	
<b>PROCESSING</b>		
First Pass Processing	\$275/GB * 5 GB	\$1,375
Responsive data processing @ Responsive Rate	\$550/GB * 2 GB	\$1,100
<b>HOSTING</b>		
Database Configuration and Setup	\$1,500 * 1	\$1,500
iConect Hosting/Per GB/ Per Mo.	\$45/GB/mo. * 2 GB	\$90/mo.*
iConect User License/Per User/Per Mo.	\$85/user/mo. *2 users	\$170/mo.*
<b>Production Costs:</b>		
TIFF Production for Native Files/Per TIFF (Est. 100,000/pages)	\$0.06/page	\$6,000
Electronic Bates Numbering/Per page (Est. 100,000/pages)	\$0.01/page	\$1,000
Attorney/Other Endorsements/Per page (Est. 100,000/pages)	\$0.01/page	\$1,000
Load File Production/Per load file (est. 3 per production)	\$150/load file	\$450
Media: \$300/Hard Drive or \$25/DVD (Required media will be based on production size)		\$300
<b>Misc:</b>		
Project Management/Per hour (If required to help setup searches, database assistance, etc.)		
Estimate 2 hours	\$175.00/hour	\$300
WebEx Training/Per session (1 Session)	\$500/session	\$500
<b>ESTIMATED ONE TIME FEES Scenario 2:</b>		<b>\$13,785 (Plus Production Costs)</b>
<b>ESTIMATED MONTHLY RECURRING FEES Scenario 2 :</b>		<b>\$260*</b>

