

Exhibit L

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

GOOGLE, INC., a Delaware corporation,

Plaintiff,

vs.

Case No. C 03-5340-JF

AMERICAN BLIND & WALLPAPER
FACTORY, INC., a Delaware corporation
d/b/a decoratetoday.com, Inc., and
DOES 1 - 100, inclusive,

Defendants.

AMERICAN BLIND & WALLPAPER
FACTORY, INC., a Delaware corporation
d/b/a decoratetoday.com, Inc.,

Counter-Plaintiff,

vs.

GOOGLE, INC.,

Counter-Defendant.

The video deposition of STEVEN B. KATZMAN, taken pursuant to the Rules of the State of California, before Lana Kia Haws, CRR, CM, RPR, CSR-0995, a Notary Public in and for the County of Oakland, State of Michigan, at 280 N. Old Woodward, Suite 400, Birmingham, Michigan, on July 25, 2006, commencing at or about the hour of 10:00 a.m.

APPEARANCES:

Keker & Van Nest, LLP
BY: MR. KLAUS H. HAMM
710 Sansome Street
San Francisco, CA 94111-1704
(415) 391-5400
Appearing on behalf of the Plaintiff.

Kelley Drye & Warren, LLP
BY: MR. PAUL W. GARRITY
101 Park Avenue
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1 APPEARANCES CONTINUED:
 2 Kelley Drye & Warren, LLP
 3 BY: MS. SUSAN J. GREENSPON
 4 333 West Wacker Drive
 5 Chicago, Illinois 60606
 6 (312) 857-7080
 7 Appearing on behalf of the Defendant.
 8 Kienbaum Opperwall Hardy & Pelton, P.L.C.
 9 BY: MR. THOMAS G. KIENBAUM
 10 280 North Old Woodward Avenue, Suite 400
 11 Birmingham, Michigan 48009-5394
 12 (248) 645-0000
 13 Appearing on behalf of Steven B. Katzman.
 14
 15 ALSO PRESENT: Jody C. Chapa, Chapa Legal Video
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 17
 18
 19
 20
 21
 22
 23
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 25

1 (The deposition commenced
 2 at about 10:15 a.m.)
 3
 4
 5 THE VIDEOGRAPHER: We are on the record.
 6 The time is 10:14:18 a.m.
 7 This is the videotaped deposition of
 8 Mr. Steven B. Katzman taken in the case of Google,
 9 Incorporated, versus American Blind and Wallpaper
 10 Factory.
 11 Today's deposition is held as 280 North
 12 Old Woodward, Suite 400, Birmingham, Michigan.
 13 Today's date is July 25, 2006.
 14 My name is Jody C. Chapa, C.L.V.S.
 15 Today's court reporter is Lana Haws,
 16 C.S.R.
 17 Please swear the witness.
 18 THE REPORTER: Sir, would you raise your
 19 right hand, please?
 20 Do you solemnly swear or affirm that the
 21 testimony you are about to give will be the truth, the
 22 whole truth, and nothing but the truth so help you God?
 23 THE WITNESS: I do.
 24 THE VIDEOGRAPHER: Thank you. Counsel,
 25 please state your appearances for the record.

1
 2
 3 EXAMINATION INDEX
 4
 5 Page Line Keyword = EXM.
 6
 7 5 14 CROSS-EXM. BY MR. HAMM
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 9 Page Line Keyword = mark'd
 10 22 15 Deposition Exhibit 1 mark'd
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1 MR. HAMM: Klaus Hamm of Keker and Van
 2 Nest for plaintiff, Google, Inc.
 3 MR. GARRITY: Paul Garrity of Kelly,
 4 Drye and Warren for defendant, American Blind and
 5 Wallpaper Factory.
 6 MS. GREENSPON: Susan Greenspon of
 7 Kelley, Drye and Warren for defendant, American Blind
 8 and Wallpaper Factory.
 9 MR. KIENBAUM: Thomas Kienbaum
 10 representing the deponent, Steve Katzman.
 11
 12
 13 CROSS-EXAMINATION
 14 EXM. BY MR. HAMM:
 15 Q. Good morning, Mr. Katzman.
 16 A. Good morning.
 17 Q. Have you been deposed before?
 18 A. I have.
 19 Q. When was that?
 20 A. You know, I was deposed in a anti-trust
 21 litigation probably 13, 14 years ago.
 22 Q. And have you been deposed other than that
 23 occasion?
 24 A. Not that I recall.
 25 Q. Did the anti-trust litigation involve trademark

1 going to be compensated in return for making himself
 2 available on a reasonable basis, and this is certainly
 3 part of the making available on a reasonable basis.
 4 Q. (BY MR. HAMM) Do you intend to appear at trial
 5 in this matter?
 6 A. I can't answer that.
 7 Q. Why not?
 8 A. I don't know. It depends on the circumstances,
 9 I suppose.
 10 Q. Have you discussed appearing at trial in this
 11 matter with counsel for American Blind or with American
 12 Blind?
 13 A. I have not.
 14 Q. What circumstances would induce you to or --
 15 induce is the wrong word. I don't mean to load the
 16 question.
 17 What circumstances would lead you to
 18 appear at trial in this matter?
 19 MR. KIENBAUM: Under my advice, I suspect
 20 but beyond that, if you want to add to that --
 21 THE WITNESS: I was implying that, not
 22 knowing where the world is gonna be then, I can't answer
 23 that question.
 24 I suppose I would seek advice from my
 25 counsel on that issue.

1 Q. (BY MR. HAMM) Okay. Since your resignation
 2 from American Blinds, have you had any communication
 3 with counsel for American Blinds?
 4 A. Yes.
 5 Q. When?
 6 A. I received some correspondences.
 7 Q. From whom?
 8 A. From Susan Greenspon.
 9 Q. Anybody else? From anybody else that
 10 represents American Blind?
 11 A. I don't believe so, no.
 12 Q. Okay. From Mr. Garrity?
 13 A. No.
 14 Q. How about from David Rammelt?
 15 A. No.
 16 Q. What kind of -- in what form were the
 17 communications that you received from Susan Greenspon
 18 since May 18th?
 19 A. Letters.
 20 Q. Any e-mails?
 21 A. There might have been an exchange of e-mails.
 22 I'm not sure.
 23 Q. Any phone calls?
 24 A. There were a couple.
 25 Q. Any face-to-face discussion, aside from

1 anything that you -- aside from today?
 2 A. No.
 3 Q. How many letters did you receive from
 4 Ms. Greenspon?
 5 A. I believe maybe two or three.
 6 Q. Okay. Were they personal letters?
 7 A. No.
 8 Q. Did they refer to this lawsuit?
 9 A. No.
 10 Q. Okay.
 11 MR. KIENBAUM: I think that, again, is
 12 the question, whether the cooperation agreement
 13 specifically mentions this litigation.
 14 I have to tell you, I don't recall right
 15 now either whether it does.
 16 MR. HAMM: Well, I'm actually asking
 17 about communications that Mr. Katzman had with
 18 Ms. Greenspon, aside from the cooperation agreement,
 19 about this lawsuit.
 20 MR. GARRITY: So the question would
 21 be, outside of correspondence as it related to the
 22 cooperation agreement, was there any other
 23 correspondence?
 24 MR. KIENBAUM: So that would
 25 cover yesterday as well.

1 THE WITNESS: Okay.
 2 Q. (BY MR. HAMM) Taking Mr. Garrity's question,
 3 what is your answer?
 4 A. Yes.
 5 Q. Okay.
 6 MR. GARRITY: That's a good one.
 7 THE WITNESS: I have received
 8 correspondences to return corporate records and, you
 9 know, laptop computer, things along those lines.
 10 Q. (BY MR. HAMM) Have you discussed the
 11 substance of this litigation in any communications to
 12 or Ms. Greenspon since May 18th?
 13 A. No.
 14 Q. Did you meet with Ms. Greenspon yesterday?
 15 A. Briefly.
 16 Q. What did you discuss when you met with
 17 Ms. Greenspon yesterday?
 18 MR. KIENBAUM: Let me just interject that
 19 I am not up to your discussions about the privilege, but
 20 that I am a little concerned about whether or not the
 21 privilege is implicated when you have a former executive
 22 being deposed in that capacity; and simply by virtue of
 23 the fact that I have been retained to represent him in
 24 connection with this deposition, I don't think would
 25 destroy any privileged nature; but I will leave that to

1 others to address. You know, I just am concerned that
 2 my client not be disclosing anything privileged.
 3 And, obviously, I was there and my
 4 discussions would be privileged.
 5 MR. GARRITY: And it would be the
 6 company's position that our continuing conversation with
 7 this witness in his capacity as testifying as a former
 8 executive of the company would be subject to privilege.
 9 I don't want to make a mountain out of a molehill.
 10 So, to the extent to which you would like
 11 to ask the witness generally the topics of the
 12 conversation, we wouldn't -- we are not gonna object to
 13 that; but, beyond that, we would not be waiving any
 14 privilege that we would be asserting as it relates to
 15 those communications.
 16 MR. HAMM: And it's Google's position
 17 that any communications that Mr. Katzman had with
 18 American Blind's counsel after leaving American Blind
 19 would not be protected by the privilege.
 20 In the spirit of not making a mountain
 21 out of a molehill, some of my questions are just
 22 designed to determine whether or not there were
 23 substantive communications.
 24 MR. GARRITY: Understood, and I think we
 25 are very much speaking the same language here.

1 I understand that we take divergent
 2 positions as it relates to whether privilege attaches to
 3 the communications with Mr. Katzman but I think rather
 4 than get things -- rather than wrap things up at this
 5 point, maybe what we could do is if there are a series
 6 of questions you would like to ask the witness, you can
 7 go ahead and do so; and, you know, we'll take that step
 8 by step.
 9 To the extent to which we get to an issue
 10 of privilege, then we will go there; but I think in the
 11 interest of cooperating and getting through this
 12 examination, I don't think that we really should have
 13 much of a problem; but I will let you go ahead.
 14 THE WITNESS: I swallowed the wrong way.
 15 MR. HAMM: Would you like to go off the
 16 record?
 17 THE WITNESS: Yes, please.
 18 THE VIDEOGRAPHER: Off the record
 19 12:11:07 p.m.
 20 (Recess taken.)
 21 THE VIDEOGRAPHER: Back on the record.
 22 This is tape 2 of the deposition of Mr. Stephen Katzman.
 23 The time is 12:17:51 p.m.
 24 Q. (BY MR. HAMM) Before we took a break, we were
 25 discussing communications you had with Ms. Greenspon

1 after you left American Blind on May 18th; and I just
 2 want to, first of all, to inform you that you should
 3 preserve those communications in case this becomes an
 4 issue later on in this litigation and Google requests
 5 copies of them.
 6 So, to take whatever steps you need to do
 7 to make sure that they are not destroyed to the extent
 8 that they're in writing.
 9 Second, I just want to clarify.
 10 Did you have any substantive
 11 communications with Ms. Greenspon after May 18th,
 12 regarding this lawsuit?
 13 A. No.
 14 Q. Were those communications limited to simply
 15 scheduling matters and the like?
 16 A. With respect to this lawsuit?
 17 Q. Yes.
 18 A. Yes.
 19 Q. You never discussed your testimony today?
 20 A. No.
 21 Q. And did Ms. Greenspon ever discuss American
 22 Blinds' strategy with you for the lawsuit after
 23 May 18th?
 24 A. No.
 25 Q. Did Ms. Greenspon participate in your

1 preparation for this deposition at all?
 2 A. No.
 3 Q. I saw you hesitate when you answered. Why did
 4 you hesitate?
 5 MR. KIENBAUM: Let me suggest one thing,
 6 Steve.
 7 You are gonna have to cut apart the
 8 discussions you and I had, because there is no argument
 9 that those are privileged. They are privileged.
 10 THE WITNESS: Right.
 11 MR. KIENBAUM: So I think now, if you can
 12 separate those to the best of your ability.
 13 To the extent we were sitting here
 14 yesterday, I think that's what the question is directed
 15 at.
 16 MR. HAMM: And just to make sure that we
 17 are clear, if you were in the room with your attorney
 18 and with Ms. Greenspon, then I am asking about those
 19 questions -- those conversations.
 20 MR. KIENBAUM: Subject to the --
 21 MR. GARRITY: Exactly. We were all
 22 talking at the same time.
 23 Q. (BY MR. HAMM) So, yesterday, did you have a
 24 conversation with your attorney and with Ms. Greenspon?
 25 A. Yes, we had a brief conversation.

1 Q. Was Mr. Garrity there as well?
 2 A. Yes.
 3 Q. During that conversation, did you discuss the
 4 substance of this lawsuit?
 5 A. What do you mean by the substance?
 6 Q. Did you discuss this lawsuit?
 7 A. We reviewed some documents.
 8 Q. Were these documents documents that American
 9 Blind had produced to Google in this litigation?
 10 A. Yes.
 11 Q. Did you discuss those documents? I'm sorry.
 12 Yeah. Did you discuss those documents?
 13 A. I reviewed the documents.
 14 Q. During your review of the documents, did
 15 Ms. Greenspon say anything about those documents?
 16 A. You know, it was a very brief time that we were
 17 all in the room together; and the document that I
 18 reviewed, I believe, was a verification, something that
 19 I had signed as part of this litigation that I should be
 20 familiar with, since it was something that endorsed. I
 21 reviewed that document and that was pretty much it.
 22 Q. Can you be more specific about what document
 23 that was?
 24 A. It was one of the, I believe, one of the
 25 interrogatories, sets of interrogatories that were early

1 that two-year period of time?
 2 A. We had a Chief Operating Officer. That
 3 position was eliminated. The controller position,
 4 vice-president of telecommunications, vice-president of
 5 sales, vice-president of customer service, controller.
 6 I don't believe I said that. So that's seven.
 7 I would say approximately seven to ten
 8 people that you would consider senior management.
 9 Q. And, in each case, was the position eliminated?
 10 A. Either eliminated or consolidated.
 11 Q. So, in each case, when somebody -- when a
 12 person was laid off, I take it they were not replaced
 13 with somebody else?
 14 A. For the most part, that's correct.
 15 Q. Well, were there any exceptions to that?
 16 A. We had -- well, we didn't eliminate -- whenever
 17 we eliminated a position, we, for the most part, right,
 18 did not rehire somebody to fill that position; and we
 19 assigned that responsibility to somebody else.
 20 Q. And was the somebody else somebody who is
 21 already working at the company?
 22 A. Yeah, yeah, with the exception that I keep
 23 hesitating. It wasn't a position we eliminated. Our
 24 C.F.O. resigned and we replaced our C.F.O. but, other
 25 than that position, pretty much every other position

1 on. It was suggested to refresh my recollection.
 2 Q. Did you review any other documents with
 3 Ms. Greenspon or Mr. Garrity yesterday?
 4 A. No, no.
 5 Q. Did Ms. Greenspon or Mr. Garrity say anything
 6 about the verification that you reviewed yesterday with
 7 them?
 8 A. No. Again, I didn't review it with them. It
 9 was brought to my attention that I should be familiar
 10 with it.
 11 Q. Okay. Did any lay-offs take place at American
 12 Blind in American Blind's upper management between
 13 October, 2004 and your departure?
 14 A. We had a series of what we would characterize
 15 as reduction in workforces, yes.
 16 Q. Did the reductions in workforce involve upper
 17 management?
 18 A. Yes.
 19 Q. How many reductions in workforce did you have?
 20 A. Over a two-year period of time -- specifically
 21 upper management or in general?
 22 Q. No, in general.
 23 A. Over a two to three-year period of time, I
 24 would say close to 250 to 300 people.
 25 Q. And how many people from upper management in

1 that I mentioned was eliminated; and that responsibility
 2 was reassigned to somebody else.
 3 Q. Do you know Joe Charno?
 4 A. Sure.
 5 Q. Who is he?
 6 A. He was our Vice-President of Advertising.
 7 Q. Does he still work with American -- at American
 8 Blind and Wallpaper Factory?
 9 A. No.
 10 Q. When did he leave?
 11 A. You know, I couldn't tell you the exact date.
 12 I couldn't tell you the exact date. Sometime, I would
 13 imagine, in 2005.
 14 Q. Did he resign?
 15 A. He did resign.
 16 Q. Was he asked to resign?
 17 A. We entered into a separation agreement.
 18 Q. Why did you enter into a separation agreement?
 19 A. For a couple different reasons. One -- well,
 20 there were two reasons.
 21 One, we were looking to reduce our
 22 overall payroll. That was the primary reason.
 23 Q. Were there any other reasons?
 24 A. I was concerned about the quality of his work.
 25 Q. What were your concerns?