

1 P. CRAIG CARDON, Cal. Bar No. 168646
 BRIAN R. BLACKMAN, Cal. Bar No. 196996
 2 KENDALL M. BURTON, Cal. Bar No. 228720
 SHEPPARD, MULLIN, RICHTER & HAMPTON LLP
 3 Four Embarcadero Center, 17th Floor
 San Francisco, California 94111-4106
 4 Telephone: 415-434-9100
 Facsimile: 415-434-3947
 5

6 TIMOTHY H. KRATZ (Admitted *Pro Hac Vice*)
 LUKE ANDERSON (Admitted *Pro Hac Vice*)
 7 MCGUIRE WOODS, L.L.P
 1170 Peachtree Street, N.E., Suite 2100
 8 Atlanta, Georgia 30309
 Telephone: 404.443.5500
 9 Facsimile: 404.443.5751

10 Attorneys for DIGITAL ENVOY, INC.

11 UNITED STATES DISTRICT COURT
 12 NORTHERN DISTRICT OF CALIFORNIA
 13 SAN JOSE DIVISION

14 DIGITAL ENVOY, INC.,
 15 Plaintiff/Counterdefendant,
 16 v.
 17 GOOGLE, INC.,
 18 Defendant/Counterclaimant.

Case No. C 04 01497 RS

**DECLARATION OF ROBERT
 FRIEDMAN IN SUPPORT OF DIGITAL
 ENVOY'S MOTION TO COMPEL
 FURTHER RESPONSES TO DIGITAL
 ENVOY'S REQUESTS FOR
 PRODUCTION OF DOCUMENTS NOS. 3,
 14, 18, 19, and 26**

The Honorable Richard Seeborg

21
 22
 23
 24
 25
 26
 27
 28

1 I, Robert Friedman, declare as follows:

2 1. I am Executive Vice-President and General Counsel for Digital Envoy, Inc. I am
3 over twenty-one years of age and not under any legal disability. I have personal knowledge of all
4 facts set forth herein.

5 2. Digital Envoy has many web site customers who have built their own
6 infrastructures.

7 3. Google itself built its own ad infrastructure solely for use on www.google.com
8 before it considered the idea of third-party advertising and licensed Digital Envoy's technology to
9 geo-target advertisements on Google.com.

10 4. AdSense is deployed on 60% of the Top 100 properties on the Internet, properties
11 that typically license Digital Envoy's technology for thousands or tens of thousands of dollars per
12 month each. See the Corporate Information page of Google's web site, located at
13 <http://www.google.com/corporate/facts.html>.

14 5. DoubleClick and Accipiter deploy enterprise ad servers to web sites so that those
15 web sites can serve ads to their users.

16 6. Digital Envoy has contractual relationships with various companies who pay
17 Digital Envoy when customers of those companies use geo-targeting. Digital Envoy receives
18 revenue for the use of Digital Envoy's technology in geo-targeting, sometimes as much as 72%
19 and up to tens-of-thousands of dollars per year per web site.

20 7. For some ad networks with which Digital Envoy has ongoing relationships or has
21 had relationships, Digital Envoy receives \$0.10 per CPM ("cost per 1,000 impressions"), \$500 per
22 million lookups, \$750.00 per 250,000 lookups, and \$4,000.00 per billion lookups of IP addresses.

23 8. Ask Jeeves, a Digital Envoy customer, has stated "Just by virtue of our relationship
24 with Google, we benefit from their improvements with AdWords in the local space," said
25 Lanzone. "They've done a lot of work in geotargeting, and we are recipients of that." Under Ask
26 Jeeves' license agreement, it is only entitled to use Digital Envoy's technology for limited
27 purposes (and specifically not for ad targeting, typically the most lucrative use). The Ask Jeeves
28 deal alone was valued at \$100 million by Google according to its public statements and Digital

1 Envoy received \$0 as a result of this relationship and, in fact, Digital Envoy believes that its
2 prospects were damaged through its lost business opportunity. *See* ClickZ News article “Yahoo!,
3 Ask Jeeves Bow Local Search Tools” dated August 3, 2004, a true copy of which is attached
4 hereto as Exhibit B.

5 9. In many cases, Digital Envoy supplies geo-targeting directly to individual web sites
6 (its customers include many of the largest properties on the Internet – such as AOL, CNN.com,
7 InfoSpace, CNet, Disney.com, ESPN.com, ABCNews.com, Guardian UK), many of whom have
8 developed their own internal ad networks.

9 10. Google's SEC filings indicate that their AdSense program is an important part of
10 their revenue stream. *See, e.g.*, Amendment No. 2 to Form S-1 Registration Statement filed June
11 21, 2004, a true copy of which is attached as Exhibit A.

12 11. Google has admitted that it “licenses” AdSense to third parties. *See* April 3, 2003
13 Google Press Release, a true copy of which is attached hereto as Exhibit C.

14 I declare these things under penalty of perjury and under the laws of the United States of
15 America. Executed on June 8, 2005, at Atlanta, Georgia.

16
17 /s/ Robert Friedman
18 Robert Friedman
19
20
21
22
23
24
25
26
27
28

