

Exhibit C

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

CLRB HANSON INDUSTRIES, LLC,)
etc., et al.,)
)
Plaintiffs,)
)
v.)
GOOGLE, INC.,)
)
)
Defendant.)

Case No.
05-03639 JW

DEPOSITION OF HOWARD STERN

August 16, 2006

227871



(310) 207.8000 Los Angeles (916) 922.5777 Sacramento (818) 702.0202 San Fernando Valley
(949) 955.0400 Orange County (408) 885.0550 San Jose (858) 455.5444 San Diego
(415) 433.5777 San Francisco (951) 686.0606 Inland Empire (760) 322.2240 Palm Springs

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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

-----X
CLRB HANSON INDUSTRIES, LLC d/b/a
INDUSTRIAL PRINTING, and HOWARD
STERN, on behalf of themselves and
all others similarly situated,

Plaintiffs,

v.

Case No.
05-03639 JW

GOOGLE, INC.,

Defendant.

-----X

August 16, 2006

11:19 a.m.

VIDEOTAPED DEPOSITION of HOWARD
STERN, taken by Defendant, pursuant to
notice, held at the offices of Thacher
Proffitt & Wood, 2 World Financial
Center, New York, New York, before
Amy E. Sikora, CRR, CSR, RPR, Certified
Realtime Reporter, Certified Shorthand
Reporter, Registered Professional
Reporter, and Notary Public within and
for the State of New York.

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A P P E A R A N C E S:

WOLF POPPER LLP

Attorneys for Plaintiffs and the Proposed Class

845 Third Avenue
New York, New York 10022

BY: LESTER L. LEVY, ESQ.

MICHELE F. RAPHAEL, ESQ.

PERKINS COIE LLP

Attorneys for Defendant

180 Townsend Street
San Francisco, CA 94107-1909

BY: DAVID T. BIDERMAN, ESQ.

M. CHRISTOPHER JHANG, ESQ.

ALSO PRESENT:

THOMAS DELVECCHIO, Videographer

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H. Stern

A. I got to the Google home page
and went to the, I guess, advertising hot
link. I don't recall the exact word that
they have, but, basically, there's a link
that gets you into the advertising AdWords
product.
Q. Okay. And when was that?
A. I would say October 2003 or late
September 2003.
Q. And this was on the computer
that you've described before?
A. Yes.
Q. Okay. And when you looked into
it first off, did you sign up at the same
time that you looked into it or did you look
into it and then later sign up?
A. I can't say for sure.
Q. Okay. When you looked into it,
can you recall, as we sit here today, what
you looked at?
A. I looked at the sign-up screen.
I looked at if there were minimum charges,
monthly charges.
Q. Okay. Anything else?

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H. Stern

you, sir, this is the current sign-in version
for the Google AdWords program.

A. Right.

Q. We don't have the one that was
in existence at the time you signed up.

My question to you is, is this
similar to the page that you saw when you
signed up for your account?

A. In a lot of ways it's not.

Q. Okay. Tell me the ways it is
and the ways it isn't, if you would.

A. When I signed up, there was only
one way to enroll, I believe.

Q. Got you.

A. Currently, when you sign up
there are two ways to enroll.

Q. Okay. And when you signed up,
what was the one way to enroll?

A. You basically give the keywords;
your daily budget; your cost per click, I
believe; your credit card information; your
mailing address; an e-mail, contact e-mail.
That's about all I recall.

Q. Okay. And how do you know that

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H. Stern

A. No. I was under the assumption that it was related to the number of days your ad is active, and that each day you wouldn't be charged more than your daily budget.

Q. Okay.

A. Because I never run my ads everyday. So this really doesn't apply to my situation.

Q. And what made you believe that you would -- that the days that your campaign was paused would not be included in that calculation?

A. Well, for the simple reason that this is -- this AdWords is put forward as something that gives me complete control over my charges, so I thought -- thought it was reasonable to assume, if I'm not running my ads, why would I be charged for days that I'm turning them off.

Q. Okay. And did you -- have you ever seen any documentation that stated, documentation from Google, that stated that the days where your campaign was paused would

1 H. Stern

16:27 2 A. Yes.

16:27 3 Q. Is that an incentive for you to
16:27 4 sign up for AdWords?

16:27 5 A. Right. It's a good reason,
16:27 6 right.

16:27 7 Q. And then it goes on to say,
16:27 8 "This is the same no matter how you choose to
16:27 9 pay for your advertising."

16:27 10 Do you see that?

16:27 11 A. Yes.

16:27 12 Q. Okay. So why did you switch to
16:27 13 Google from Yahoo?

.6:27 14 A. Because Yahoo had a monthly
.6:27 15 minimum that I needed to pay, whether or not
.6:27 16 I even ran the ads.

.6:27 17 Q. And Google?

.6:27 18 A. They had no minimum.

.6:27 19 Q. And, in fact, they told you they
.6:28 20 had no minimum; correct?

.6:28 21 A. Right.

.6:28 22 MR. BIDERMAN: Objection.

.6:28 23 Assumes facts not in evidence.

.6:28 24 MR. LEVY: Do you want to change
.6:28 25 the tape now?