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 12 *Proposed Class*

13 UNITED STATES DISTRICT COURT
 14 NORTHERN DISTRICT OF CALIFORNIA
 15 SAN JOSE DIVISION

16 CLRB HANSON INDUSTRIES, LLC d/b/a)
 17 INDUSTRIAL PRINTING, and HOWARD)
 18 STERN, on behalf of themselves and all)
 others similarly situated,)
 19 Plaintiffs,)
 20 vs.)
 21 GOOGLE, INC.,)
 22 Defendant.)

CASE NO: C05-03649 JW

**DECLARATION OF CLRB HANSON
 INDUSTRIES, LLC IN SUPPORT OF
 PLAINTIFFS' MOTION FOR PARTIAL
 SUMMARY JUDGMENT**

1 I, Brett R. Hanson, hereby declare:

2 1. I am the shareholder and principal of CLRB Hanson Industries, LLC (“CLRB”),
3 one of the plaintiffs in the above action. I submit this Declaration in support of Plaintiffs’
4 Motion for Partial Summary Judgment.

5 2. Since 2002, CLRB has been a Google AdWords Program advertiser. What enticed
6 CLRB (and its predecessor, Industrial Printing), to the AdWords program and what CLRB relied
7 on was the fact that Google represented that CLRB would control its costs by setting a daily
8 budget and per click charges, and there was no minimum charge.

9 3. Google also represents that the participant in the AdWords Program can pause its
10 ads and not accrue any charges while its ads are paused. I found that feature extremely beneficial
11 and generally paused CLRB’s AdWords campaigns often in order to control advertising costs and
12 demand for its services.

13 4. When CLRB (and its predecessor, Industrial Printing) enrolled in the AdWords
14 Program, it provided the information required, such as, the name of the ad campaign, email
15 address, billing information, daily budget and costs per click. I was not directed to, nor did I,
16 review any of the numerous FAQs (frequently asked questions) that you can access online if you
17 wanted to. I do not recall that I had to accept the FAQs prior to joining the AdWords Program
18 and Google has not produced any evidence to the contrary.

19 5. Google states that the: “Ad system ensures you never pay more than your daily
20 budget multiplied by the number of days in a month your campaign was active.” See Exhibit A
21 hereto. In contrast to the way Google promotes AdWords (as a program that gives the advertiser
22 complete control over its charges), CLRB has been often charged by Google amounts greater
23 than its daily budget. CLRB has also been charged by Google amounts in excess of the amount
24 of its daily budget times the number of days that a campaign was active during the course of a
25 month.

26 6. For example, CLRB’s AdWords campaign (contract decorating), ran for twenty-
27 seven days during the month of February 2005. (See Exhibit B, P-0057–60.) During that time
28 the daily budget was set at \$50. (See Exhibit B, P-0057–60, column 4.) It was charged a total of

1 \$1,399.99 during that period. (See Exhibit B, GOOG-HN 21583–21624.) This came out to
2 \$49.99 more than the daily budget, multiplied by the number of days in the month that the
3 campaign was active. In March 2005, the campaign ran for seventeen days with a \$50 daily
4 budget. (See Exhibit B, P-0060–62.) It was charged \$1,063.35. (See Exhibit B, GOOG-HN
5 21624–21654.) This amounts to \$213.35 more than the daily budget of \$50 times the number of
6 days the campaign was active between March 1 and March 31, 2005. It was given a total of
7 \$177.85 in overdelivery credits for the contract decorating ad campaign March charges. See
8 Exhibit B, GOOG-HN 21624-21654.

9 7. While these overcharges may seem small, when you consider the hundreds of
10 thousands of AdWords advertisers, the monthly bills to each and all those with daily budgets
11 much higher than CLRB's, the amount of monies Google receives from these overcharges
12 becomes very significant.


13 8. When I complained about the overcharges to Google, I was told by Google that it
14 indeed bills more than a daily budget on any given day (up to 120% of the daily budget,) and that
15 Google will charge up to 30 or 31 times a daily budget in a monthly bill. Thus, if my daily budget
16 is \$1,000, Google states it is free to charge up to \$1,200 a day, as long as it doesn't charge more
17 than \$3,000 or \$3,100 in a month. However, that is contrary to how Google advertised and
18 promoted their AdWords Program. If, CLRB had an active campaign for 10 days during a
19 monthly period, I expect to be charged at most, \$10,000, not \$12,000, which Google now states it
20 is free to charge.

21 9. Delivery of ads over and above CLRB's daily budget is not beneficial to it
22 because there is a limit to the amount of responses it can handle. The overdelivery just adds to
23 its costs.

24 10. Google's promotion of its AdWords Program and its billing practices are
25 deceptive and misleading.

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I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. This declaration is executed in Plymouth, Minnesota on this 27th day of September, 2006.



BRETT R. HANSON