

EXHIBIT F

CrunchPad Litigation Imminent

by **Michael Arrington** on Dec 4, 2009 **383 Comments**

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It has been a busy week for our **former partners on the CrunchPad**. The company has deleted their corporate blog, taken the time to hire a PR firm and **schedule an event** Monday morning to "give their side of the story."

They still have not returned our calls or emails. But they have spoken to press, and say that their side of the story has two key elements. First, that none of this was a

surprise and we knew they were likely to break ties with us. And second that TechCrunch hasn't done anything to help build the CrunchPad and therefore has no rights to the device.

Both statements are completely untrue. Among other things, emails from Fusion Garage illustrate it.

We aren't going to restate every detail of the story here, mostly because it's not all that interesting. But I will give a few highlights. And I've embedded letters sent from our law firm below to Fusion Garage as well as the ODM manufacturer, Pegatron. There are lots more details included in those letters.

There is just no way to argue that TechCrunch is not the joint owner of all intellectual property of the CrunchPad, and outright owner of the CrunchPad trademark. The CEO of Fusion Garage has spent nearly six months this year working from Silicon Valley and our offices. Most of the Fusion Garage team has spent the last three months here working with our team on the project. And our key team members have spent time in Singapore working directly on the hardware and software that powers the device. Fusion Garage emails and their own blog, before it was deleted, acknowledge this. We have also spent considerable amounts of money creating the device, paying the vendor and other bills that Fusion Garage wasn't able to.

What's even more absurd is the idea that we somehow knew about Fusion Garage's intentions to break off the partnership before a couple of days prior to the device launching. Until November 17 we had every reason to believe that Fusion Garage was our trusted ally in creating the CrunchPad. We received nearly daily emails confirming that everything was on track. Raising funding for the project was a goal but wouldn't have been necessary for some time; besides, we had U.S. investors lined up and ready to put money into the venture. Fusion Garage admitted to us on November 18 that the news of them pulling out of the partnership was "out of the blue." When the company makes statements otherwise, compare them to the email below:

From: Chandrasekar Rathakrishnan <chandra@fusiongarage.com>
Date: November 18, 2009 4:36:49 AM PST
To: Michael Arrington <editor@techcrunch.com>
Cc: heather harde <heather@techcrunch.com>
Subject: Re: no good news

Mike,

I understand this came out of the blue but I needed to say where things were as soon as it was made known to me.


Its not good and in the spirit of transparency I forwarded the confidential note.

Comments

jason - December 4th, 2009 at 6:48 pm UTC

That's what you get for doing business with someone whose name you can't pronounce.

[reply](#)

Tim Dorr  - December 4th, 2009 at 7:05 pm UTC

Wow. Racist much?

[reply](#)

Nite - December 4th, 2009 at 7:19 pm UTC

Very much ;)

[reply](#)

Paul E. Ester - December 5th, 2009 at 12:31 am UTC


Not sure why this made me think of wipro when this broke..

[reply](#)

developer - December 5th, 2009 at 12:22 pm UTC

Play race card much?

[reply](#)

Nathan J. Brauer  - December 6th, 2009 at 4:04 am UTC

ya... he only said "whose name you can't pronounce". Not "whose face is [...whatever...]" (can't think of anything smart haha)

but seriously. this wasn't racist at all. the fact is the people are from a completely different culture and thus operate in completely different ways.

I'm from the USA and living in Vietnam. I could easily see this happening in business

From investor's perspective he is proposing what he deems as fair and I can't fault him for that.

I do not think the tone of the email was intended the way it might have come across.

Meeting them shortly.

Will call you later today to discuss this.

Thanks,
Chandra

On Wed, Nov 18, 2009 at 7:59 AM, Michael Arrington <editor@techcrunch.com> wrote:
Chandra,

We can discuss when you return.

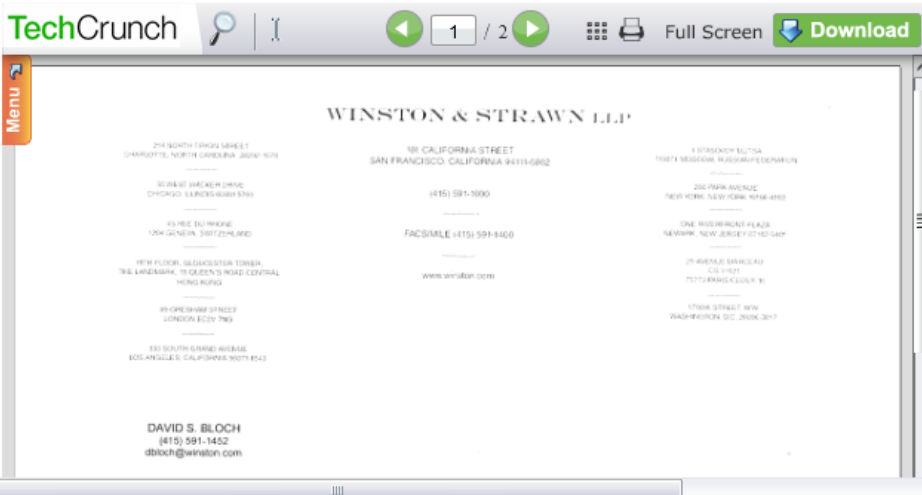
It's clear that your investors do not understand that we created this product jointly, and there is no way for either of us to bring it to market without the other party. We'd obviously take legal action against you and any manufacturer of the device if you were to move forward without us in violation of our rights. And regardless, there is no path to success in my opinion even if we were to allow you to do so.

What's most disconcerting to me is the tone of the email. I'd never do business with this person, and I'd never allow him to own any part of any project I work on.

Mike

There is quite simply no way we will allow this company to move forward on this project. The extent of their fraud is only now becoming clear to me. The audacity of their scheme is staggering. We believe that they engaged with us until the last possible moment to get press attention and access to our development resources and cash, and then walk away hoping that we'd do nothing.

Here are the letters sent by our lawyers both to [Fusion Garage](#) and [Pegatron](#) (who, it turns out, terminated their agreement with Fusion Garage in August, although Fusion Garage never told us and continued to pretend they were working together). We'll likely move further updates on the lawsuits to our [CrunchNotes](#) blog.



here. But they'd never file suit. They'd just hire people to beat up the bad guys and take all their property, then claim everything.

[reply](#)

Nicolas Boullosa - December 6th, 2009 at 1:19 pm UTC

Guys, let's be serious here. I think that comment can't be defended.

Think the name of your -brilliant and way more trustable that the previous one-president.

How old are you all? I mean mentally.

cb - December 8th, 2009 at 8:37 am UTC

More trustable? maybe more trustable to ruin the united states and turn it into a communist nation.

shakra - December 5th, 2009 at 1:30 pm UTC

Having developed several products in cooperation with the chinese, I would have to agree with jason. I hate working with the chinese, I hate everything about them except their low prices.

[reply](#)

Indian - December 5th, 2009 at 6:32 pm UTC

As an Indian, I'd rather do business with the Chinese than Indians.

Anyway, might have missed the revelation, but who the bloody hell is this 'investor' this dude keeps referring to?

[reply](#)

mike - December 8th, 2009 at 9:36 am UTC