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12 Attorneys for Non-Party  
 13 DOLBY LABORATORIES LICENSING CORPORATION  
 14 UNITED STATES DISTRICT COURT  
 15 NORTHERN DISTRICT OF CALIFORNIA

16 APPLE, INC., a California corporation,  
 17 Plaintiff,  
 18 v.  
 19 SAMSUNG ELECTRONICS CO., LTD., a  
 20 Korean corporation; SAMSUNG  
 21 ELECTRONICS AMERIA, INC. a New York  
 22 corporation; SAMSUNG  
 23 TELECOMMUNICATIONS AMERICA,  
 24 LLC., a Delaware limited liability comapny,  
 25 Defendants.

Case No. 11-cv-01846-LHK

**DECLARATION OF OLIVER KUNZ IN  
 SUPPORT OF NON-PARTY DOLBY  
 LABORATORIES LICENSING  
 CORPORATION’S NOTICE OF  
 EMERGENCY ADMINISTRATIVE  
 MOTION FOR AN ORDER SEALING  
 PORTIONS OF PROPOSED TRIAL  
 EXHIBIT NO. 630, AND CLOSING THE  
 COURTROOM AND SEALING THE  
 TRANSCRIPT DURING DISCUSSION OF  
 DOLBY’S CONFIDENTIAL  
 INFORMATION**

Judge: Hon. Judge Lucy H. Koh

**DECLARATION OF OLIVER KUNZ IN SUPPORT OF DOLBY  
 LABORATORIES LICENSING CORPORATION’S NOTICE OF  
 EMERGENCY ADMINISTRATIVE MOTION TO SEAL**

26 I, Oliver Kunz, hereby declare and state as follows:

27 1. I am Senior Director, Business Development and Patent Licensing, with Non-  
 28 Party Dolby Laboratories Licensing Corporation (“Dolby”), and submit this declaration in  
 support of Dolby’s Emergency Administrative Motion for an Order Sealing Portions of Proposed

1 Trial Exhibit No. 630, and Closing the Courtroom and Sealing the Transcript During Discussion  
2 of Dolby's Confidential Information. This declaration is based on my personal knowledge,  
3 unless otherwise stated, and if called as a witness I could and would testify competently to the  
4 facts stated herein.

5         2.       It is my understanding that as part of proposed trial exhibit No. 630 in the above  
6 captioned matter, the parties intend to introduce into evidence a table summarizing certain terms  
7 of the Patent License Agreement between Samsung and Dolby Laboratories Licensing  
8 Corporation ("Dolby") dated October 8, 2009 (the "Patent License Agreement"), attached as  
9 Exhibit 3A to Samsung's Expert Report of David Teece, dated March 22, 2012.

10         3.       It is my further understanding that such disclosure will include the price terms  
11 between Samsung and Dolby contained in that Patent License Agreement.

12         4.       The Patent License Agreement concerns certain Dolby patents that relate to the  
13 Advanced Audio Coding audio compression format ("AAC"). Licenses to Dolby's AAC-related  
14 patents are generally available through VIA Licensing, on terms that are published on the VIA  
15 Licensing website ([www.vialicensing.com](http://www.vialicensing.com)). VIA Licensing administers a joint patent license  
16 which provides a convenient and cost-effective way to acquire the rights to practice the essential  
17 AAC patents from a set of 14 licensors, including Dolby. However, in certain instances, a  
18 potential licensee, such as Samsung, seeks to directly license only one licensor's AAC-related  
19 patents, without also obtaining a license to patents controlled by the other VIA licensors.  
20 Samsung's Patent License Agreement with Dolby is one such "direct license." The Patent  
21 License Agreement is still in effect and reflects Dolby's pricing strategies during the relevant  
22 period.

23         5.       The pricing terms of the licensed technology between Dolby and Samsung in the  
24 circumstances described in the preceding paragraph are confidential and reflect not only  
25 valuations of Dolby's AAC-related patents, but also the valuations of the non-monetary  
26 consideration received by Dolby as part of the Patent License Agreement. Indeed, the Patent  
27 License Agreement requires the parties to maintain the confidentiality of its terms, and Dolby  
28 relies upon that confidentiality when entering into these agreements.

1           6.       Dolby does not disclose – and maintains the confidentiality of – this type of  
2 pricing and valuation information in the ordinary course of its business, and the disclosure of  
3 pricing terms in the circumstances described in paragraphs 4 and 5 would irreparably harm  
4 Dolby by disclosing its negotiation, business, and pricing strategies. Specifically, disclosure of  
5 this information would give an unfair advantage to Dolby’s future counterparties by providing  
6 them with non-public information about Dolby’s negotiation strategies and methodology. This  
7 would cause competitive harm in that competitors and potential counterparties to licensing  
8 agreements would gain an unfair insight into Dolby’s analyses, particularly as Dolby would  
9 know nothing about their methodology for the negotiations. Using their knowledge of the  
10 precise substantive and financial terms of previously nonpublic agreements, this unfair advantage  
11 would allow counterparties to calibrate their negotiation strategies to the detriment of Dolby.

12           I declare under penalty of perjury under the laws of the United States that to the best of  
13 my knowledge the foregoing is true and correct.

14           Executed on July 30, 2012, in Nuremberg, Germany.

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18           Oliver Kunz  
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