

EXHIBIT 16

Facebook Infringes My Patents Too, Says CEO Who Just Sued Google

- By [Robert McMillan](#)
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Inside the reverse-engineering lab at Rockstar, Scott Widdowson is looking for products that infringe on the company's 4,000 patents. Photo: Rockstar

Rockstar — the closely watched consortium that [sued Google, Samsung, and six other handset makers](#) on Thursday — says that another big-name company is infringing its vast patent portfolio: Facebook.

Rockstar CEO John Veschi doesn't want to get into the details, but he believes his company's 4,000-patents — which it inherited after Apple, Microsoft, Blackberry, Sony, and Ericsson purchased the majority of patents owned by the imploded Canadian telecom giant, Nortel — cover, or "read on," the kind of social network operated by Facebook.

"I'm definitely aware of many that 'read on' features that are in any social network, whether it's Facebook LinkedIn or any other thing like that," he says. Though he declined to say more, Veschi has said in the past that his patent portfolio is so great that it's hard to imagine any high-tech companies that don't use techniques covered by the Nortel patents.

Rockstar had been negotiating with technology companies for more than a year and a half, trying to get outfits such as Google to license its portfolio of more than 4,000 patents, which cover a wide range of areas. The company has been trying to cut intellectual property licensing deals across six broad sectors — including social media. And while Rockstar has sealed a “fairly small number” of deals to date, it’s been a difficult business.

That’s what’s forcing the lawsuits, the first of which were filed on Thursday in federal court in Texas. “We’ve gotten to a point with many of them where they even say to us: ‘Look, you need to sue us. I can’t really get the attention of management because we have other people who have sued us. And if you don’t sue us, you haven’t basically put the table stakes down to get to the big table.’”

Veschi says that, although Rockstar sued Google (over search technology patents) and seven of Google’s Android partners on Thursday, that it is incorrect to see Rockstar as a proxy agent for Apple, Microsoft, and Blackberry — all of whom are part-owners of Rockstar with seats on its board of directors. “It was basically all my decision-making,” he says. “I think it’s important for people to realize that my shareholders had nothing to do with this.”

Veschi, like many of Rockstar’s employees [is an ex-Nortel worker](#). He was hired by the telecommunications giant in 2008 to find patent licensing revenue — something Nortel hadn’t ever done effectively. He says that Nortel that the search and mobile phone lawsuits that were filed yesterday can be traced back to the first work he did at Nortel five years ago. “Mobile and the internet search are in some ways the most ripe because they were actually the two franchises I built first when I joined Nortel in 2008.”

Rockstar revealed yesterday that it has set up subsidiaries to manage its patent licensing activities in mobile and search. The company is also dividing up its patents to include licensing for telecommunication services providers, networking equipment, enterprise technology and social networking, Veschi says.

From Veschi’s perspective, Rockstar is simply seeking the revenue that Nortel had coming to it for its pioneering work in telecommunications. Not surprisingly, the Electronic Frontier Foundation, which has long fought against such patent suits, sees things differently. “The marketplace is where this entire fight should be taking place,” says Julie Samuels, senior staff attorney with the EFF. “Nortel made its money off its products. Now people are trying to squeeze water form the rock that was Nortel. In any rational economic system there would be no there there, but because of our messed-up patent system, they’re able to do that.”



After surviving the Nortel meltdown, Rockstar CEO John Veschi now controls 4,000 patents related to mobile devices and computer networks. Photo: Dan Krauss/WIRED