

EXHIBIT 1

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF KANSAS**

_____)	
SPRINT COMMUNICATIONS COMPANY L.P.,)	
)	
Plaintiff,)	
)	Case No. 05-2433-JWL
v.)	
)	
VONAGE HOLDINGS CORP. and)	
VONAGE AMERICA, INC.,)	
)	
Defendants.)	
_____)	

**SURREPLY IN SUPPORT OF VONAGE HOLDINGS CORP. AND
VONAGE AMERICA, INC. IN OPPOSITION TO SPRINT COMMUNICATIONS CO.
L.P.’S MOTION TO COMPEL PRODUCTION OF FINANCIAL DOCUMENTS**

Defendants Vonage Holdings Corp. and Vonage America, Inc. (collectively, “Vonage”) submit this brief in surreply to Sprint’s Motion to Compel the Production of Financial Documents to address certain issues raised in Sprint’s in its April 17, 2007 reply in support of its motion, and based on information not available at the time of Sprint’s opposition to that motion.

I. Its Best Efforts Notwithstanding, Vonage Has No Additional Documents to Produce.

Throughout the course of discovery, and continuing well past the time Sprint filed its motion, Vonage has diligently searched for the documents Sprint seeks.

Vonage notes that much of Sprint’s Motion is based on issues which arose in November 2006, and “Mr. Rego’s... deposition testimony taken over four months ago.” (Sprint Mot. at 7). Sprint’s motion, therefore, is well outside the 30-day limit set by D. Kan. Rule 37.1(b), and should be denied for this reason alone.

Notwithstanding the timeliness of Sprint's motion, through its efforts, Vonage has located and produced documents in response to eleven (11) of the twelve (12) categories of financial materials Sprint has sought, and four of the five Sprint specifically seeks in its motion.

A. Vonage Has Produced Documents in their Final Form As Requested.

The budgets Vonage has produced have been retrieved from Vonage's main database and produced in the form in which they were saved. While Mr. Rego testified that some documents bore "just on their label" an annotation "f" for "final," (Rego Tr. at 81:18), these markings do not show on the electronic copies of these documents which have been produced, as requested, in the form in which they are stored and in their native format. Similarly, the fact that the documents Vonage has produced bear no "f" designation is no indication that what Vonage has produced is not the final version of these documents.

B. Vonage Has No 2002 and 2003 Budget Documents Beyond What Vonage Has Produced.

Vonage, including Mr. Rego, has looked for, and has been unable to locate, any budget models from 2003 or 2002 beyond what it has already produced.¹

Budgets that are four to five years old (or more) are necessarily antiquated. To the extent that any 2002-2003 budget document beyond what has been produced existed, it has likely been deleted, as Vonage has no practical need to retain such old projections of the financial future. (A 2002 budget, for example, would project into 2006 or 2007). Any forecasts maintained therein are substantially out of date: as time progresses, what was once forecasted is superseded by

¹ To date, Vonage has produced multiple records reflecting its budget summaries and models from 2002 (*see, e.g.*, VON_210204-210298, VON_210300-210394, VON_280220-280239, VON_280245-280339, VON_280340-280488, VON_280489-280636, and VON_280637-280651) and 2003 (*see, e.g.*, VON_279046-279131, VON_279294-279326, VON_279327-279359, VON_279396-279562, VON_279563-279731, and VON_279732-279830).

actual historical data. Further, as data changes over the years, projections from 2002 or 2003 become antiquated, and only projections from later years are relied on.

In its reply in support of its motion, Sprint quotes Mr. Rego out of context. Sprint asked Mr. Rego “If I wanted to see the budget from, say 2003 or 2004, is there a separate place where that budget resides?” Rego answers “That budget exists. It’s online somewhere. If I went looking, I could probably find it.” Rego Tr. at 81:1-81:7. Hardly the affirmation that Sprint would have the Court believe, Mr. Rego’s testimony in response to print’s ambiguous question does not confirm that the 2003 version still exists or that it can be located. Mr. Rego’s answer may have spoken only to the 2004 version of the budget, which Vonage has produced. In any case, Mr. Rego’s answer clearly indicates he would have to look and see whether such files could be located. Mr. Rego has performed such additional searching since his deposition, and has located no further responsive information.

For these reasons, Vonage reasonably believes the information Sprint seeks, beyond what Vonage has produced to date, no longer exists.

II. Conclusion

For the foregoing reasons, Vonage respectfully requests that the Court deny Sprint’s Motion to Compel Production of Financial Documents.

Respectfully submitted,

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/s/ Patrick J. Kaine

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