

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND

RECORDED BOOKS, LLC

Plaintiff/Counter
Defendant,

Case No. 07 CV 1427 (DKC)

v.

OCLC ONLINE COMPUTER LIBRARY
CENTER, INC. d/b/a NETLIBRARY,Defendant/Counter
Plaintiff.**SUPPLEMENTAL DECLARATION OF SCOTT WASINGER IN OPPOSITION
TO PLAINTIFF RECORDED BOOK LLC'S MOTION FOR PRELIMINARY INJUNCTION**

I, Scott Wasinger, hereby declare and state:

1. I am employed by NetLibrary as Managing Director of Business Development and have been with the company and have served in that capacity for approximately eighteen months.
2. As Director of Business Development, among other things, I am responsible for maintaining and growing the e-audiobook portion of NetLibrary's business.
3. I am familiar with NetLibrary's business relationship with Recorded Books, LLC ("Recorded Books").
4. I submit this declaration in opposition to Recorded Books' Motion for Preliminary Injunction and pursuant to the hearing to be held on the Motion on July 24, 2007.
5. I have personal knowledge of the matters set forth in this declaration.
6. Attached hereto as Exhibit 7, and identified by Bates number NL00566, is a true and correct copy of a document NetLibrary's historical data concerning e-audiobooks, from February 2005

through June 2007. I have personal knowledge of the data contained therein. This document was made and kept in the ordinary course of NetLibrary's business.

7. Attached as Exhibit 8, and identified by Bates number NL00486, is a true and correct copy of an email sent from Brian Downing of Recorded Books to Marge Gammon at NetLibrary.

8. Attached as Exhibit 9, and identified by Bates number NL00487, is a true and correct copy of an email sent from Brian Downing of Recorded Books to Marge Gammon at NetLibrary.

9. Attached as Exhibit 10, and identified by Bates numbers NL00488-90, is a true and correct copy of an email sent from Brian Downing of Recorded Books to Marge Gammon at NetLibrary.

10. Attached as Exhibit 11, and identified by Bates number NL00491, is a true and correct copy of an email sent from Brian Downing of Recorded Books to Rich Rosy at NetLibrary.

11. Attached as Exhibit 12, and identified by Bates numbers NL00492-93, is a true and correct copy of a screenshot printed from the OCLC website on July 17, 2007.

12. Attached as Exhibit 13, and identified by Bates number NL00561, is a true and correct copy of a customer renewal form forwarded to NetLibrary from Recorded Books and dated June 13, 2007. This document and all documents like it were transmitted to NetLibrary or to Recorded Books by the renewing customer, was received and kept in the ordinary course of NetLibrary's business.

13. Attached as Exhibit 14, and identified by Bates number NL00552, is a true and correct copy of a customer renewal form forwarded to NetLibrary from Recorded Books and dated May 31, 2007. This document and all documents like it were transmitted to NetLibrary or to Recorded Books by the renewing customer, and were received and kept in the ordinary course of NetLibrary's business.

14. Attached as Exhibit 15, and identified by Bates number NL00558, is a true and correct copy of a customer renewal form forwarded to NetLibrary from Recorded Books and dated June 12,

2006. This document and all documents like it were transmitted to NetLibrary or to Recorded Books by the renewing customer, and were received and kept in the ordinary course of NetLibrary's business.

15. Attached as Exhibit 16, and identified by Bates number NL00536, is a true and correct copy of a customer renewal form received from Scoville Memorial Library and dated July 10, 2007. This document and all documents like it were transmitted to NetLibrary or to Recorded Books by the renewing customer, and were received and kept in the ordinary course of NetLibrary's business.


16. Attached as Exhibit 17, and identified by Bates number NL00522, is a true and correct copy of a customer renewal form sent to NetLibrary from Darien Library and dated June 28, 2007. This document and all documents like it were transmitted to NetLibrary or to Recorded Books by the renewing customer, and were received and kept in the ordinary course of NetLibrary's business.

17. Attached as Exhibit 18, and identified by Bates number NL00503, is a true and correct copy of a customer renewal form sent to NetLibrary from Westport Library and dated June 5, 2007. This document and all documents like it were transmitted to NetLibrary or to Recorded Books by the renewing customer, and were received and kept in the ordinary course of NetLibrary's business.

18. Attached as Exhibit 19, and identified by Bates number NL00448, is a true and correct copy of an email sent from Brian Downing of Recorded Books to Marge Gammon and Rich Rosy of NetLibrary.

19. Attached as Exhibit 20, and identified by Bates numbers NL00445-47, is a true and correct copy of an email sent from Brian Downing of Recorded Books to Marge Gammon of NetLibrary.

I declare under penalty of perjury that the foregoing is true and correct. Executed on July
20, 2007.



Scott Wasinger

EXHIBIT 7

NETLIBRARY
AUDIOBOOK HISTORICAL DATA
FEB 2005 THRU JUNE 2007

	Sales	Maximum Royalty Exp	Net Subscription Price	RB Share of Net Subscr Price	NL Share of Net Subscr Price	Commission Paid RB	# checkouts	Royalties Paid on c/o	Royalties Paid on Bible/Pims.	Total Royalties	Subtotal RB Comm & Roy	Residual Royalty Paid to RB (at subscr exp)
Feb-05	964,833.00	443,166.75	521,666.25	312,187.25	209,479.00	312,187.25	1,865	486.25	0.00	486.25	312,663.50	0.00
Mar-05	398,700.00	159,708.25	238,991.75	142,807.55	96,394.20	142,807.55	3,432	858.00	0.00	858.00	143,461.50	0.00
Apr-05	183,216.64	87,988.75	115,249.89	68,153.07	47,096.82	68,153.07	4,300	1,075.00	0.00	1,075.00	69,228.07	0.00
May-05	181,000.00	73,312.50	107,687.50	64,612.50	43,075.00	64,612.50	5,881	1,470.25	0.00	1,470.25	66,092.75	0.00
Jun-05	159,400.00	54,933.35	104,466.65	61,352.63	43,114.02	61,352.63	5,703	1,425.75	339.60	1,765.35	63,117.98	0.00
FY05 YTD Subtotal	1,887,151.54	799,089.60	1,088,062.04	648,913.00	439,149.04	648,913.00	21,181	5,295.25	339.60	5,634.85	654,547.85	0.00
Jul-05	585,599.00	251,635.50	313,963.50	187,903.10	126,080.40	187,903.10	26,041	6,510.25	0.00	6,510.25	194,413.35	0.00
Aug-05	454,000.00	201,238.20	252,761.80	150,843.40	101,918.40	150,843.40	16,833	4,208.25	113.20	4,321.45	155,164.85	0.00
Sep-05	225,840.66	98,312.50	127,528.16	76,039.50	51,498.66	76,039.50	18,425	4,606.25	0.00	4,606.25	80,635.75	0.00
Oct-05	117,625.00	40,409.17	77,215.83	44,774.50	32,441.33	44,774.50	19,848	4,982.00	346.68	5,328.68	50,083.18	0.00
Nov-05	150,725.00	52,622.62	98,102.38	58,416.43	39,685.95	58,416.43	20,453	5,113.25	247.63	5,360.88	63,777.31	0.00
Dec-05	211,879.41	82,537.55	129,341.86	78,730.97	52,410.89	78,730.97	27,157	6,789.25	787.81	7,577.06	84,308.03	0.00
Jan-06	967,559.00	506,743.33	460,815.67	262,649.28	197,988.40	262,649.28	35,700	8,925.00	2,555.83	11,480.83	274,330.11	0.00
Feb-06	611,996.35	260,422.70	351,573.65	210,477.89	141,057.76	210,477.89	34,504	8,626.00	593.20	9,219.20	220,086.09	0.00
Mar-06	525,745.00	203,321.90	322,423.10	191,614.60	130,809.50	191,614.60	41,221	10,305.25	892.40	11,197.65	202,429.25	0.00
Apr-06	500,513.65	199,745.81	300,767.84	179,292.74	121,475.01	179,292.74	39,998	9,989.50	5.41	10,004.91	185,297.65	0.00
May-06	344,822.73	120,435.56	224,387.17	122,887.55	101,299.60	122,887.55	45,708	11,437.00	489.08	11,926.08	134,812.63	0.00
Jun-06	513,042.87	231,715.23	281,327.64	164,355.47	116,972.17	164,355.47	48,938	12,234.50	30.73	12,265.23	176,620.70	0.00
FY06 YTD Subtotal	5,188,951.67	2,249,140.19	2,939,811.48	1,728,175.43	1,213,636.07	1,728,175.43	374,826	93,706.50	6,056.97	99,763.47	1,825,938.90	0.00
Jul-06	1,001,177.80	497,654.24	503,523.56	293,925.59	209,597.98	293,925.59	53,310	13,327.50	8.49	13,335.99	307,261.58	572,829.40
Aug-06	346,356.50	154,874.45	191,482.05	109,650.65	81,851.40	109,650.65	40,560	10,140.00	113.20	10,253.20	119,903.85	83,053.44
Sep-06	403,013.00	200,039.85	202,973.15	115,827.74	87,145.41	115,827.74	31,878	7,689.50	127.35	7,816.85	123,924.59	55,216.56
Oct-06	355,741.86	142,989.17	212,752.69	125,200.27	87,552.22	125,200.27	59,291	24,822.75	47.17	24,870.92	150,070.19	23,657.84
Nov-06	443,179.63	151,416.15	291,763.48	160,484.90	131,278.58	160,484.90	56,455	14,613.75	155.65	14,769.40	175,254.30	17,074.20
Jan-05 thru Jun-06 Recon	513,836.65	257,387.48	256,449.17	145,905.64	110,543.51	145,905.64	0	0.00	0.00	0.00	145,905.64	37,697.69
Apr-05 Adjustment	0.00	(125.00)	125.00	62.50	62.50	62.50	0	0.00	0.00	0.00	62.50	0.00
Dec-06	102,377.45	34,281.14	68,096.31	38,836.64	29,259.88	38,836.64	65,601	16,400.25	(189.81)	16,210.44	55,047.28	269,174.26
Jan-07	331,285.00	136,481.25	194,803.75	115,789.75	79,014.00	115,789.75	77,968	19,492.00	0.00	19,492.00	135,281.75	142,827.16
Feb-07	950,926.00	494,981.88	455,944.12	255,833.74	200,110.39	255,833.74	67,545	16,886.25	2,475.63	19,361.88	275,185.62	134,398.14
Mar-07	476,486.67	213,491.30	262,995.37	150,204.35	112,791.02	150,204.35	74,724	16,881.00	28.30	16,909.30	168,913.65	126,383.13
Apr-07	936,263.10	395,052.45	541,210.65	323,768.96	218,141.69	323,768.96	69,985	17,486.25	962.20	18,448.45	341,227.41	90,807.03
May-07	651,520.20	259,479.10	392,041.10	229,055.29	153,965.82	229,055.29	71,195	17,987.75	481.10	18,468.85	247,335.14	119,922.14
Jun-07	619,618.33	253,336.24	366,282.09	208,134.65	136,147.44	208,134.65	73,390	15,347.50	291.49	15,638.99	226,773.64	283,804.36
FY07 YTD Subtotal	7,131,781.99	3,190,339.70	3,931,442.29	2,271,680.67	1,689,761.64	2,271,680.67	783,902	195,975.50	4,500.97	200,476.47	2,472,157.14	1,966,945.35
GRAND TOTAL	14,207,865.30	6,238,589.49	7,959,315.81	4,846,789.10	3,312,546.75	4,846,789.10	1,179,909	294,977.25	10,897.54	305,874.79	4,852,643.89	1,966,945.35

NL005566

EXHIBIT 8

From: Downingbt@aol.com
Sent: Tuesday, April 11, 2006 7:35 AM
To: Marge Gammon
Subject: Re: Growing List of Topics

Hi Marge,

I am currently on the plane home from Italy. Lufthansa now has internet, how cool is that?

I am available to speak tomorrow, name a time...some initial comments below***

The list of things to chat about is growing. . . Thought I'd document it so we'd have it to reference when we're able to hook up.

1. Blackstone, Listen and Live, McGraw Hill, and Harper are all fairly close to signing a contract with us, the first two being the most likely to sign soon. We are negotiating purchase contracts only. . . i.e., a one book/one user, purchase the title outright model. However, they are all also interested in a subscription model (with the exception of Harper for sure). ****I have no problem with them being part of our core offering. I can't see selling them separately though, and can't see how the content enhances what we are doing, with the exception of Harper, and since they won't do subscription, I can't see offering a whole new model just for them. But we can discuss.
2. BBC UK has asked for a meeting with us and Suzanne will be meeting with them in a couple weeks while she's in the UK on other business. I thought they were launching their own program and/or in bed with OverDrive. Do we know anything more about what's happening there? Do we think they are fishing for information or serious about doing something with us?****I know exactly what they are doing, and will fill you in. Surprisingly enough, it is not with OverDrive.
3. There was a rumor at PLA that RB was going to be giving titles to OverDrive. Considering the source I got this from, I didn't put much credence in it, and I can also see your facial reaction right now, but thought I'd pass it along. . . ****well, I do have an exclusive contract with this outfit called NetLibrary. I heard the same rumor. It actually said that OverDrive was going to buy RB. Matt asked me about it and if there was anything he should know! Needless to say, the answer is no.

Let's talk soon, or my list might become unweildy!

Marge

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6/28/2007

NL00486

EXHIBIT 9

From: Downingbt@aol.com
Sent: Monday, May 15, 2006 9:18 PM
To: Marge Gammon
Subject: Re: New eAudio Additions to NL

Hi Marge,

Yes, we should meet at BEA.

I'll look at my schedule.

I read the contract differently than you do, that is for sure.

Brian

Brian,
I hope to catch up with you for a few minutes at BEA -- I'd like to touch bases a little further on the topic of subscription models for other eAudio content. We're not at all sure they will work, but it probably merits a few minutes of discussion time.

We have officially signed Listen & Live and Blackstone will sign at BEA. We are close on a couple of others. All, however, are contracts that do not encompass any type of subscription model, and I'm assuming you have no concerns or issues with our selling their titles as we do eBooks; i.e., under the 1 book/1 user/you buy it/you own it model. Let me know if that's not the case and if you have any reservations or concerns, in which case we should definitely talk soon.

Regards,
Marge

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6/28/2007

NL00487

EXHIBIT 10

From: Downingbt@aol.com
Sent: Wednesday, August 18, 2004 9:05 AM
To: Rich Rosy
Cc: mgammon@netLibrary.com
Subject: Re: Model Integration

Dear Marge and Rich,

I have zero concern about your openness and suitability to being a great partner. I have no doubt that we had a miscommunication, and I will even concede to having assumed something without explaining it fully.

Also be assured that we anticipate hurdles that we will have to overcome. We run into them all the time on various projects. Just for instance, when we discovered the download times were about 50% higher than the metrics we were given and that the low quality file was unsuitable, we didn't sweat a drop. We couldn't do what you have done already and we know that. It is not easy.

Also be assured, that I believe we have in no way breached the NDA. We did not bring up our (RB & NL) relationship to the libraries we called yesterday and mentioned. We called them and asked them about system integration and how important it is. We asked them about different companies that do or do not integrate, and how that affects their purchasing. We said "What about internet databases? What about ebooks? Do you have OverDrive? Do you have netLibrary?" The only libraries we have broached the topic with are Orlando and Fairfax, which, let me know, I think you were ok with. I mentioned our potential relationship with Putumayo and got your permission. We WOULD like to talk with more libraries, and we are putting together a list.

Also, as I'm sure you know, I wouldn't take Steve Potash's claims as the truth. We have had demos from PL's that have their product and they have showed us how it works.

My goal was to get this agenda on the table ASAP, but I guess I have offended you both with a clumsy email. It was not intended to be that way. I'll just apologize and be more careful.

I do believe that system integration is, along with content and download speeds, one of the three key issues for libraries. Virtually every library we have spoken with about internet databases has expressed disdain about the lack of real time circulation information and, also, expressed that when we come out with downloadable, that we be able to do this. I believe it is a crucial issue, and also one that will be a boon to your e-book efforts. My comments of the importance of integration are based on having spoken to over 200 libraries about their downloadable needs in the past 18 months, and all that data went into the model that we presented and are pretty much working on now. It was the first question we asked when we spoke with you, but obviously we weren't as clear as we thought we were. We are pleased that this will be a priority.

When you get to know us and me better, I think you will see that we are a great partner. So again, sorry for having come across the wrong way.

All the best,

Brian

I am disappointed at the tone of your e-mail; I understand your concern and must tell you that this situation is one of a misunderstanding between us. We have attempted, in this process of being open and upfront on what we believed were the disadvantages as well as the advantages. We deal with libraries every day and have not heard this as an issue, they consider netLibrary a part of their electronic solutions, which they are use to going outside of their system for usage data.

I agree that it can be done and we will make every effort to accomplish this in the shortest period possible. But one of the libraries that you have spoken to, Cleveland, has been promoting OverDrive, they were given the system. We should and must review every comment we hear from libraries, but then we must evaluate these comments as to there merit. We have many advantages to our offering and will continue to improve upon it.

6/28/2007

NL00488

I hope that this is one in many hurdles that we encounter and overcome together.

Rich

-----Original Message-----

From: Downingbt@aol.com [mailto:Downingbt@aol.com]

Sent: Tuesday, August 17, 2004 2:44 PM

To: mgammon@netLibrary.com

Cc: rrosy@netlibrary.com

Subject: Model Integration

Dear Marge,

Thank you for having Gillian answer my question so quickly.

It is clear that our model does not in fact integrate with the major circulation systems in the country. In speaking with a handful of public libraries (today alone Fairfax, San Antonio and Cleveland) this fact is keeping your e-books from achieving a higher level of popularity.

The fact that we do not have this capability is a little disheartening since I have been assured many times that this was possible and was the plan. We brought it up at our first meeting and this sparked our interest in a significant way. OverDrive's model does do this, and they have proven it with e-books so this is a significant competitive advantage. It was embarrassing to find this out from Fairfax County PL.

That said, our model still has many advantages and I have high confidence we can prevail. Perhaps I am oversimplifying things, but it seems that if a little company like OverDrive can do this, we should be able to as well.

Can we turn some significant resources toward the investigation of this issue? We will need to regroup with the libraries we have been negotiating with to be Beta sites. It would be great to be able to offer this service in our model.

Please advise when you can.

All the best,

6/28/2007

NL00489

Brian

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Can't find me? Call Carla Evans (410)535-5590 ext. 1147

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Can't find me? Call Carla Evans (410)535-5590 ext. 1147

6/28/2007

NL00490

EXHIBIT 11

Message

Page 1 of 1

From: Marge Gammon
Sent: Wednesday, March 23, 2005 1:35 PM
To: Rich Rosy
Subject: FW: Program in general

-----Original Message-----

From: Downingbt@aol.com [mailto:Downingbt@aol.com]
Sent: Wednesday, March 23, 2005 12:27 PM
To: Marge Gammon
Subject: Program in general

Hi Marge,

I just wanted to let you know that I spoke with Wendi Bost from Orange County, Florida this morning. Among an agenda we covered, I asked her if we were keeping her happy on the Downloadable Service.

She answered unhesitantly, "yes." She said she was recently called by Tampa Bay consortium and she told them that our program was "awesome" and they have had "maybe 2 or 3 patron issues and that's it."

As I told you before, Julie Pringle from Fairfax County has said pretty much the same thing.

I know these two people well. They are two of the most savvy business people in Public Libraries. To have earned such plaudits from them is not an accident. It means you have a great service.

In the fog of implementation, such things can be forgotten. Just wanted to say thanks to you and your technical team.

I'd like to change some design things. But Job 1 was a product that works well, and that we have. Great work.

Brian

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Can't find me? Call Carla Evans (410)535-5590 ext. 1147

6/28/2007

NL00491

EXHIBIT 12



eAudiobooks : **Subscription Program**

eAudiobook Subscription Program

Through partnership with Recorded Books, the world's largest independent publisher and distributor of unabridged audiobooks, NetLibrary offers libraries a variety of collection options through the eAudiobook Subscription Program.

Features and benefits

- Unlimited simultaneous access
- Automatic renewals
- Simplified annual subscription
- New titles added at no additional charge
- Administrative tools for libraries including usage reports

eAudiobook Subscription Collections

NetLibrary offers seven annual subscription collections to choose from, plus a Trial Subscription Program.

The Core Collection A growing collection of the latest best-sellers, book club favorites, award-winning authors, and timeless classics.
[View & Browse Title List](#)

CEV Holy Bible Collection The most authentic unabridged Holy Bible ever produced. Offers a faithful and uncompromising translation of the original Greek and Hebrew manuscripts.
[View & Browse Title List](#)

Children's and Young Adult Newbery and Caldecott winners with time-tested classics. Designed primarily for public libraries.
[View & Browse Title List](#)

eAudioEssentials Collection Literary classics with enduring value. Writers include James Joyce, Mark Twain, Victor Hugo and more.
[View & Browse Title List](#)

K-12 Schools Collection Numerous collection of titles, affordably priced, and while providing maximum control. A unique ticketing system for checkouts, designed specially for schools, distinguishes this collection.
[View & Browse Title List](#)

Ordering

For ordering assistance, contact your regional service provider or contact OCLC.

- Call OCLC Library Services:
+1-614-764-6000
1-800-898-6252 (USA)
- E-mail libservices@oclc.org

Libraries may also contact Recorded Books at 1-800-638-1304 or jhadley@recordedbooks.com.

NL00492

Pimsleur Language Series Easy-to-understand lessons covering 39 languages for beginners, intermediate-level speakers, and ESL students.
[View & Browse Title List](#)

Popular Fiction for Academic Libraries A collection of more than 125 of the most popular works of fiction by Libraries authors such as Patricia Cornwell, Stephen King, and more.
[View & Browse Title List](#)

eAudiobooks Trial Program A cost-effective trial program for evaluating eAudiobooks in your library. Includes a selection of popular fiction titles and literary classics, plus Pimsleur short courses in Spanish and French. Try it today.
[View & Browse Title List](#)

Price information

NetLibrary eAudiobook Subscription Collections are available to all library types as an annual subscription. Pricing is based on library type, circulation or population served, and number of checkouts.

Library Type	Price Model
Public	Annual Circulation Statistics
Academic	Full-Time Equivalents (FTE)
K-12 School	Per-school Pricing

Category	Public Library	Academic Library
Category 1	Under 100,000	1,999 or fewer
Category 2	100,001 to 499,999	2,000 to 9,999
Category 3	500,000 to 999,999	10,000 to 14,999
Category 4	1,000,000 to 2,299,999	15,000 to 24,999
Category 5	2,300,000 to 3,599,999	25,000+
Category 6	3,600,000 to 4,999,999	N/A
Category 7	5,000,000+	N/A

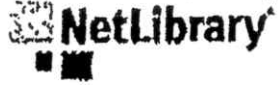
eAudiobooks [About](#) [Purchase Program](#) [Subscription Program](#) [Technical specifications](#) [Ordering](#) [Support](#)

NL00493

EXHIBIT 13



Recorded Books
 Complete and unabridged since 1979



270 Skipjack Road
 Prince Frederick, MD 20676
 Fax: 206-474-4825

Bill To: Thompson Library

Ship To: Thompson Library

Attn: Alison Boutaugh
 Address:

Attn: Alison Boutaugh
 Address:

SALESPERSON	P.O. NUMBER	DATE	SHIPPED VIA	F.O.B. POINT	TERMS
		06/13/07	NetLibrary	Boulder, CO	Net 30

ORDER DESCRIPTION		AMOUNT
Library Type (select one): Public		
Overall Circulation: _____		
Category: <u>1</u>		
Subscription Start Date: <u>07/01/07</u> (renewal ~ 2 yr amendment)		
Other Collections:		
Audiobook Core Collection (Cap: 3500)		\$2500.00
Audiobook Plimsleur Language Programs		\$0.00
Audiobook Bible		\$0.00
Will MARC records be delivered? Yes No		
Contact Name: _____		
Contact E-mail (Required for delivery): _____		
Special Billing Requirements: _____		
GRAND TOTAL		\$2500.00

Library Name: Thompson Public Library
 Authorized Signature: Alison Boutaugh
 Print Name: Alison Boutaugh
 Title: Library Director
 Date: June 19, 07

NetLibrary, a division of OCLC
 Authorized Signature: _____
 Print Name: _____
 Title: _____

EXHIBIT 14



Recorded Books
 Complete and unabridged since 1979



Order Form

270 Skipjack Road
 Prince Frederick, MD 20678
 Fax-208-474-4525

Bill To: Capital Area District Library

Ship To: Capital Area District Library

Attn: Carrie Haverman, District Consultant
 Address: 101 Walnut St. Harrisburg, PA 17101

Attn: same
 Address:

SALESPERSON	P.O. NUMBER	DATE	SHIPPED VIA	F.O.B. POINT	TERMS
Gross	22159	05/31/07	NetLibrary	Boulder, CO	See NOTE

NOTE: would like to pay in two installments. Will arrange terms as necessary.

ORDER DESCRIPTION	AMOUNT
Library Type (select one): Public	
Overall Circulation: _____	
Category: <u>6</u>	
Subscription Start Date: <u>08/01/07 (renewal)</u>	
Other Collections:	
Audiobook Core Collection (Cap: <u>none</u>)	\$40,000.00
Audiobook Pimsleur Language Programs	\$0.00
Audiobook Bible	\$0.00
Children/YA Collection	\$9000.00
Will MARC records be delivered? <input checked="" type="radio"/> Yes <input type="radio"/> No	
Contact Name: <u>On file, different people at various libraries</u>	
Contact E-mail (Required for delivery): <u>on file</u> Notify only for <u>chaverman@dcls.org</u> that new records were sent to contacts on file	
GRAND TOTAL	\$49,000.00

Library Name Capital Area Library District: Dauphin County Library System
 Authorized Signature: [Signature]
 Print Name: Carrie Haverman
 Title: District Consultant
 Date: 6/4/2007

NetLibrary, a division of OCLC
 Authorized Signature: _____
 Print Name: _____
 Title: _____

NL00552

EXHIBIT 15

Jun-12-06 02:34P



Recorded Books
 Complete and unabridged since 1977
 270 Skyanck Rd
 Prince Frederick, MD 20768
 800-638-7304 x1421
 Fax 810-414-2874
 recordedbooks@recordedbooks.com

NetLibrary
 4440 Pearl East Circle, Suite 103
 Boulder, Colorado 80301

Order Form
 PAGE 03

Bill To: *Henderson County Library* Ship To:
 Attn: *Donald Wathen* Attn:
 Address: *101 S. MAIN ST.* Address:
Henderson, KY 42420

SAL EMERSON	P.O. NUMBER	DATE	SHIPPED VIA	F.O.B. POINT	TERMS
<i>A. Poynter</i>		<i>6/12/06</i>	NetLibrary	Boulder, CO	Net 30

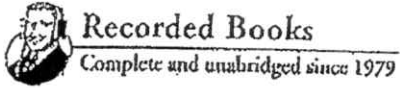
ORDER DESCRIPTION	AMOUNT
Library Type (select one): <u>Public</u> or Academic/Other	
Oversight Circulation: <u>288 000</u>	
Category: <u>2</u>	
Subscription Start Date: <u>July 1, 2007 - June 30, 2009</u>	
Other Collections:	
Audiobook Core Collection (Cap: <u>2,500</u>) per year	\$10,000.00
Audiobook Pittsburg Language Programs	\$ purchase
Audiobook Bible	\$ purchase
Children/YA Collection (Cap: <u>1,800</u>) per year	\$2,400.00
Will MARC records be delivered? <input checked="" type="checkbox"/> Yes No	
Contact Name: _____	
Contact E-mail (Required for delivery): _____	
Special Billing Requirements: _____	
GRAND TOTAL	\$12,400.00

Library Name: *Henderson County Library*
 Authorized Signature: *Donald Wathen*
 Print Name: *Donald Wathen*
 Title: *Director*
 Date: *June 12, 2007*

NetLibrary, a division of OCLC
 Authorized Signature: _____
 Print Name: _____
 Title: _____

NL00558

EXHIBIT 16



Order Form

4888 Pearl East Circle, Suite 103
 Boulder, Colorado 80301
 Tel: 303-381-8899 Fax: 303-381-8600

Bill To: Scoville Memorial Library

Ship To: Same

Attn: Claudia Cayne
 Scoville Memorial Library
 38 Main
 Salisbury CT 06068
 860-435-2838

SALESPERSON	P.O. NUMBER	DATE	SHIPPED VIA	F.O.B. POINT	TERMS
Iddings		July 10, 2007	NetLibrary	Boulder, CO	Net 30

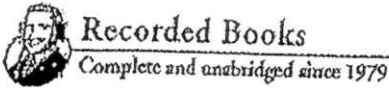
	ORDER DESCRIPTION	AMOUNT
	Library Type (select one): Public Category: 1 Subscription Start Date: July 1, 2007—Audiobook Collections: eAudiobook US & Canadian Core Collection (Cap:3500) eAudiobook Pimsleur Language Programs and eAudiobook CEV Holy Bible Childrens/YA Collection Will MARC records be delivered? Yes NO Contact Name: <u>Claudia Cayne</u> Contact Name: Contact E-mail (Required for delivery): <u>ccayne@biblio.org</u>	\$2,500.00
GRAND TOTAL		\$2,500.00

Library Name Claudia Cayne
 By: _____
 Name: Claudia Cayne
 Title: Director
 Date: 7-10-07

NetLibrary, Inc.
 By: _____
 Name: _____
 Title: _____

NL00536

EXHIBIT 17



Order Form

4888 Pearl East Circle, Suite 103
 Boulder, Colorado 80301
 Tel: 303-381-8899 Fax: 303-381-8600

Bill To: The Darien Library

Ship To: Same

Attn: Mary Freedman
 Address: The Darien Library
 35 Leroy Avenue
 Darien CT 06820-4497
 (203) 655-1234 x140

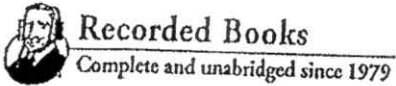
SALESPERSON	P.O. NUMBER	DATE	SHIPPED VIA	F.O.B. POINT	TERMS
Iddings		June 28, 2007	NetLibrary	Boulder, CO	Net 30

	ORDER DESCRIPTION	AMOUNT
	Library Type (select one): Public Category: 3 Subscription Start Date: July 1, 2007—2 nd year renewal Audiobook Collections: eAudiobook US & Canadian Core Collection (Cap:7500) eAudiobook Pimsleur Language Programs and eAudiobook CEV Holy Bible Childrens/YA Collection Will MARC records be delivered? <input checked="" type="radio"/> YES <input type="radio"/> NO Contact Name: JUDY MITCHELL Contact E-mail (Required for delivery): judy@darienlibrary.org	\$13,333.00 \$1200.00
GRAND TOTAL		14,533.00

Library Name: Mary F. Freedman
 By: Mary F. Freedman
 Name: Mary Freedman
 Title: HEAD, INFORMATION SERVICES
 Date: 4/28/07

NetLibrary, Inc.
 By: _____
 Name: _____
 Title: _____

EXHIBIT 18



Order Form

Recorded Books, LLC
 270 Skipjack Rd.
 Prince Frederick, MD 20678
 Tel: 410-535-5590

4888 Pearl East Circle, Suite 103
 Boulder, Colorado 80301
 Tel: 303-381-8899 Fax: 303-381-8600

Bill To: Westport Public Library

Ship To: Same

Attn: George Wagner
 Address: Westport Public Library
 20 Jessup Road
 Westport CT 06880
 203-227-8411

SALESPERSON	P.O. NUMBER	DATE	SHIPPED VIA	F.O.B. POINT	TERMS
Iddings		June 5, 2007	NetLibrary	Boulder, CO	Net 30

	ORDER DESCRIPTION	AMOUNT
	Library Type (select one): Public Category: 2 Subscription Start Date: July 1, 2007—2 nd year renewal Audiobook Collections: eAudiobook US & Canadian Core Collection (Cap:7500) eAudiobook Pimsleur Language Programs and eAudiobook CEV Holy Bible Childrens/YA Collection -- No charge Will MARC records be delivered? <input checked="" type="radio"/> Yes <input type="radio"/> NO Contact Name: <i>Tilly Dutta</i> Contact E-mail (Required for delivery): <i>tdutta@westportlibrary.org</i>	\$9,000.00
GRAND TOTAL		\$9,000.00

Library Name: *WY*
 By: _____
 Name: *George Wagner*
 Title: *ASSISTANT DIRECTOR*
 Date: *6/20/07*

NetLibrary, Inc.
 By: _____
 Name: _____
 Title: _____

EXHIBIT 19

From: Downingbt@aol.com
Sent: Thursday, November 04, 2004 7:23 AM
To: Marge Gammon
Cc: Rich Rosy
Subject: Books On Tape/Random House
Attachments: NetLibrary downloadable to pubs.doc

Hi Marge,

As per our conversation this morning.

Books On Tape is a division of Random House Audio Publishing. They publish unabridged audio books and focus on the consumer mail order and library markets. Random Audio handles their trade publishing.

Brian Guerwitz is the most senior person out in California, and heads up their library division. He reports to Scott Matthews in New York.

My guess is that he is fishing for information. My recommendation is that we keep him at arms length, but at the same time welcome him to the program if he wishes. In the odd chance that they accept, their content would be an enhancement to the service. Their quality varies tremendously, which is something we should be aware of, but some of their titles are tremendous.

Enclosed is a modified document which we give to agents and publishers when we are clearing rights. I would suggest we do the following:

1. Return the gentleman's call. Explain that the program is a partnership with Recorded Books. Mention that you have heard that BOT competes with Recorded Books. We are bringing in other content providers, but would they really consider having Recorded Books sell their products?
2. If he says yes, ask him to put that in an email and send it to you.
3. If he does in fact send the email, send him the enclosed document. It doesn't say anything he couldn't get his hands on from Random's rights people.
4. We have not supplied library pricing or any other information to anyone, and I wouldn't suggest we do it here. We clarify questions on the document, or send the press release too, but we don't supply additional information.

Hope this helps.

I'm curious to hear how the rest of the contact goes.

Brian

Brian T. Downing
Publisher
Recorded Books, LLC
270 Skipjack Road
Prince Frederick, Maryland 20678
phone (410)535-5590 ext. 1142
fax (410)535-0257

Can't find me? Call Carla Evans (410)535-5590 ext. 1147

6/28/2007

NL00448

NL00448

EXHIBIT 20

Marge Gammon

From: Downingbt@aol.com
Sent: Thursday, July 29, 2004 9:51 AM
To: mgammon@netLibrary.com
Subject: Re: FW: Drafts of Recorded Books Contract Agreements

Hi Marge,

These are all fairly small publishers. I never heard of GiGi Books. We are pretty friendly with Audio Renaissance and Blackstone. We are friendly but competitive with BBC. I think Brilliance might balk but you never know.

There are some carrots we can offer them. Special promotion, etc. that will increase their visibility...

Brian

fyi. . . on the topic of other audio book publishers, we currently have draft contracts in the hands of the following players. All are in the process of legal review so, from a timing perspective, there is the opportunity to go back and lay out a new program to them. Any feelings about how receptive (or not) any of these might be to hitching their wagons to our program?

Marge

GiGi Books
Audio Renaissance
Brilliance Audio
Blackstone Audiobooks
BBC Audiobooks America

-----Original Message-----

From: Downingbt@aol.com [mailto:Downingbt@aol.com]
Sent: Thursday, July 29, 2004 7:08 AM
To: mgammon@netLibrary.com
Subject: Re: FW: Drafts of Recorded Books Contract Agreements

Dear Marge,

I have made a quick read of this document and I think it is of a very elegant construction. I think we will be able to get through most things.

I did notice a couple key things:

1. The length is different from the term sheet. I want you folks to be comfortable, and we are flexible, so perhaps we can tweak the conditions of the renewal.
2. Unless I missed it, the document does not refer to this contract being exclusive between us, meaning that RB will not sell any other system, and only RB and OCLC will sell this system.
3. I assume that we can add in some language about RB bringing in other content providers. I think we can bring them in at the same terms, at \$.25 per circulation. We may have to modify that in the future, but I think we can sign up a few majors on that. I am meeting with S&S and Harper next week, and if you are comfortable, I can start the discussions on a confidential basis.
4. Since we have the music and video content ready to go, should we at least work in the music streaming model to this? We are flexible on this, but it seems like this might be a nice additional

revenue source, and a nice story for our sales and PR people.

I will have a reservation made for you today and email it to you tonight. I appreciate what you say about dinner.

I will cede to your wishes on the rental car issue, but I would be driving right by your hotel on my way to the office, so carpooling is no trouble at all, but perhaps you need the time to discuss business. Just let me know on that.

All the best,

Brian

Brian,

Attached is the draft agreement to begin the review process on your end. By the time we meet next week -- and possibly before -- we will also have a draft of the technical specs. I saw an early draft today and I don't think it's all that far off, but it wasn't quite ready to go, and I didn't want to hold up the whole agreement for that one section.

If you could suggest a hotel or make reservations for the night of the 3rd, that would be most helpful. We land around 3:15. We thank you very much for the dinner offer, but knowing you've been away, and given that we travel alot and know how precious that time at home is, we'd like to take a rain check on diinner. We'll probably rent a car and be able to find our way to your hotel and offices without imposing any more on your time.

We look forward to seeing you next week.

Marge

REDACTED

REDACTED

7/30/2004

NL00446

NL00446

REDACTED

Brian T. Downing
Publisher
Recorded Books, LLC
270 Skipjack Road
Prince Frederick, Maryland 20678
phone (410)535-5590 ext. 1142
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Can't find me? Call Carla Evans (410)535-5590 ext. 1147

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Prince Frederick, Maryland 20678
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fax (410)535-0257

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7/30/2004

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