

Eight Mile Style, LLC et al. v. Apple Computer Inc., et al.
Case No. 2:07-CV-13164

EXHIBIT 1

**Excerpt of transcript pages from the
Deposition of Peter Paterno taken on April 30, 2008**

DEPOSITION OF PETER PATERNO

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

F.B.T. PRODUCTIONS, LLC;)
AND EM2M, LLC,)
)
PLAINTIFFS,)
)
VS.) CASE NO. CV 07-3314 PSG (MANX)
)
AFTERMATH RECORDS DOING)
BUSINESS AS AFTERMATH)
ENTERTAINMENT; INTERSCOPE)
RECORDS; UMG RECORDINGS,)
INC.; AND ARY, INC.,)
)
DEFENDANTS.)
_____)

DEPOSITION OF PETER PATERNO, TAKEN
ON BEHALF OF THE DEFENDANTS, AT
10250 CONSTELLATION BOULEVARD,
19TH FLOOR, CALIFORNIA, COMMENCING
AT 2:15 P.M., WEDNESDAY, APRIL
30, 2008, BEFORE ALEJANDRIA BAKER,
CSR NUMBER 11897.

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14:17:56 1 THE GENERAL INSTRUCTIONS THAT I ORDINARILY GIVE, BUT
14:17:59 2 JUST FOR PURPOSES OF CLARITY OF THE RECORD, I JUST WANT
14:18:01 3 TO GIVE A FEW VERY BASIC INSTRUCTIONS.

14:18:04 4 IN THIS DEPOSITION, I'LL BE ASKING YOU
14:18:06 5 QUESTIONS, OBVIOUSLY. AND UNLESS YOU RECEIVE AN
14:18:08 6 INSTRUCTION NOT TO ANSWER, YOU'LL ANSWER MY QUESTIONS.

14:18:12 7 IF YOU HAVE ANY QUESTIONS ABOUT THE
14:18:14 8 VERBIAGE I USE OR DON'T UNDERSTAND IT, JUST TELL ME YOU
14:18:17 9 DON'T UNDERSTAND IT, AND I'LL BE HAPPY TO REPHRASE IT.
14:18:20 10 OKAY?

14:18:21 11 A. OKAY.

14:18:21 12 Q. AND IS THERE ANY REASON YOU CAN'T ANSWER
14:18:23 13 MY QUESTIONS HONESTLY AND ACCURATELY TODAY? ARE YOU
14:18:26 14 UNDER ANY MEDICATION OR TIRED THAT MIGHT AFFECT YOUR
14:18:27 15 ABILITY TO ANSWER MY QUESTIONS HONESTLY AND ACCURATELY?

14:18:32 16 A. NO.

14:18:33 17 Q. OKAY. MR. PATERNO, WOULD YOU PLEASE
14:18:35 18 DESCRIBE FOR ME YOUR EXPERIENCE AS A LAWYER IN THE MUSIC
14:18:40 19 BUSINESS.

14:18:44 20 A. I STARTED DOING LEGAL WORK IN THE MUSIC
14:18:48 21 BUSINESS IN 1978, AND DID IT CONTINUOUSLY UNTIL 1990.
14:18:56 22 BETWEEN 1990 AND 1994, I RAN A RECORD COMPANY, AND THEN
14:19:03 23 THEREAFTER, I RETURNED TO PRACTICE LAW. I'VE BEEN DOING
14:19:06 24 MUSIC LAW SINCE THEN, UNTIL NOW.

14:19:08 25 Q. OKAY. YOU GRADUATED FROM LAW SCHOOL IN

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14:19:11 1 WHAT YEAR?

14:19:12 2 A. 1976.

14:19:13 3 Q. OKAY. AND WHEN YOU SAY THAT YOU WERE IN

14:19:15 4 THE MUSIC BUSINESS FROM '78 TO 1990, WHO DID YOU WORK

14:19:22 5 FOR?

14:19:22 6 A. WELL, I WAS A LAWYER. I'VE ALWAYS BEEN

14:19:25 7 IN THE MUSIC BUSINESS.

14:19:26 8 Q. RIGHT.

14:19:26 9 A. I WAS A LAWYER, DOING PRIMARILY MUSIC

14:19:28 10 WORK AT THE TIME, FOR MANATT PHELPS.

14:19:31 11 Q. WHICH IS A LAW FIRM HERE IN LOS ANGELES?

14:19:33 12 A. YES.

14:19:34 13 Q. AND YOU WERE IN THEIR ENTERTAINMENT

14:19:36 14 DEPARTMENT OR MUSIC DEPARTMENT?

14:19:37 15 A. YES.

14:19:38 16 Q. OKAY. AND THEN YOU LEFT MANATT IN 1990;

14:19:41 17 IS THAT WHAT I UNDERSTAND?

14:19:43 18 A. YES. END OF 1989.

14:19:45 19 Q. OKAY. AND WHAT -- YOU SAID YOU WENT

14:19:46 20 THERE -- YOU LEFT TO RUN A MUSIC LABEL?

14:19:48 21 A. A RECORD COMPANY.

14:19:49 22 Q. RECORD COMPANY.

14:19:50 23 WHAT WAS THE RECORD COMPANY?

14:19:51 24 A. HOLLYWOOD RECORDS.

14:19:52 25 Q. OKAY. AND WHY DID YOU LEAVE HOLLYWOOD

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14:19:57 1 RECORDS IN 1994?

14:20:00 2 A. BECAUSE THEY ASKED ME TO.

14:20:01 3 Q. OKAY. WHAT WAS YOUR POSITION AT

14:20:05 4 HOLLYWOOD RECORDS?

14:20:06 5 A. I WAS THE PRESIDENT.

14:20:12 6 Q. OKAY. AND WHEN YOU LEFT IN 1994, DID

14:20:17 7 YOU FORM YOUR OWN LAW FIRM AT THAT POINT IN TIME?

14:20:20 8 A. I SPENT A YEAR TRYING TO GET A REAL JOB.

14:20:23 9 AND WHEN THAT DIDN'T HAPPEN, I WENT TO -- I WENT INTO

14:20:27 10 BUSINESS WITH A COUPLE OF FRIENDS OF MINE, WHO ARE THE

14:20:35 11 PEOPLE I'M IN BUSINESS WITH TODAY.

14:20:36 12 Q. AND WHO ARE THOSE PEOPLE?

14:20:36 13 A. HOWARD KING AND KEITH HOLMES AND

14:20:37 14 JILL BERLINER.

14:20:38 15 Q. OKAY. AND YOUR LAW FIRM WAS FORMED AT

14:20:39 16 THAT POINT IN TIME?

14:20:41 17 A. YES.

14:20:41 18 Q. NOW, IN CONNECTION WITH YOUR LEGAL

14:20:42 19 PRACTICE, DO YOU REPRESENT ARTISTS?

14:20:45 20 A. MOSTLY.

14:20:46 21 Q. MOSTLY ARTISTS.

14:20:49 22 WHO ARE SOME OF THE BIGGER NAMED ARTISTS

14:20:51 23 THAT YOU REPRESENT?

14:20:53 24 MR. POMERANTZ: OVER THE COURSE OF HIS

14:20:54 25 CAREER?

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14:20:54 1 BY MR. BUSCH:

14:20:55 2 Q. YES. OVER THE COURSE OF YOUR CAREER,
14:20:57 3 WHO ARE SOME OF THE BIGGER NAMED ARTISTS THAT YOU'VE
14:21:00 4 REPRESENTED?

14:21:01 5 A. METALLICA, DR. DRE, GUNS N' ROSES, ALICE
14:21:04 6 IN CHAINS, BRIAN SETZER, PEARL JAM, METALLICA. THERE'S
14:21:11 7 A LOT MORE.

14:21:12 8 Q. BUT YOUR PRIMARY -- THE PRIMARY FOCUS OF
14:21:16 9 YOUR PRACTICE IS REPRESENTING ARTISTS?

14:21:18 10 A. PRIMARY, YES.

14:21:19 11 Q. OKAY. HAVE YOU SPOKEN WITH ANYONE
14:21:33 12 REGARDING YOUR DEPOSITION TODAY? DID YOU DO ANYTHING TO
14:21:36 13 PREPARE FOR YOUR DEPOSITION TODAY?

14:21:38 14 A. YES.

14:21:38 15 Q. WHAT DID YOU DO?

14:21:39 16 A. I MET WITH THESE GENTLEMEN.

14:21:44 17 MR. BUSCH: OKAY. AND SINCE YOU'RE
14:21:46 18 REPRESENTING HIM, I ASSUME YOU'LL BE ASSERTING THE
14:21:48 19 ATTORNEY-CLIENT PRIVILEGE CONCERNING YOUR COMMUNICATIONS
14:21:51 20 IN THE PREPARATION OF THE DEPOSITION?

14:21:54 21 MR. POMERANTZ: YES.

14:21:54 22 BY MR. BUSCH:

14:21:54 23 Q. DID YOU -- WELL, LET ME ASK YOU THIS.
14:21:54 24 HOW LONG DID YOU MEET WITH THE ATTORNEYS
14:21:56 25 FOR UNIVERSAL? DON'T DISCLOSE WHAT YOU DISCUSSED, JUST

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14:22:00 1 HOW -- HOW LONG DID YOU MEET WITH THEM TO PREPARE FOR
14:22:01 2 YOUR DEPOSITION?
14:22:02 3 A. ABOUT 45 MINUTES.
14:22:04 4 Q. OKAY. DID YOU REVIEW ANY DOCUMENTS?
14:22:08 5 A. YES.
14:22:08 6 Q. WHAT DOCUMENTS DID YOU REVIEW?
14:22:10 7 MR. POMERANTZ: I THINK YOU'RE ENTITLED
14:22:11 8 TO ASK HIM WHETHER ANY OF THEM REFRESHED HIS
14:22:13 9 RECOLLECTION. I WOULD LET HIM ANSWER -- ANSWER THAT
14:22:15 10 QUESTION.
14:22:15 11 SO IF YOU COULD RESTATE THE QUESTION.
14:22:17 12 BY MR. BUSCH:
14:22:17 13 Q. DID ANY OF THE DOCUMENTS THAT YOU
14:22:19 14 REVIEWED REFRESH YOUR RECOLLECTION IN ANY WAY?
14:22:24 15 A. NOT REALLY.
14:22:25 16 Q. NOT REALLY.
14:22:27 17 SO YOU HAD INDEPENDENT RECOLLECTION OF
14:22:29 18 THE EVENTS AND THE CONTRACTS OR WHATEVER YOU REVIEWED
14:22:32 19 WITHOUT EVER HAVING TO REVIEW THE DOCUMENTS?
14:22:36 20 A. I HAD SOME SKETCHY RECOLLECTIONS. IT
14:22:38 21 WAS A LONG TIME AGO.
14:22:39 22 Q. OKAY. HAVE YOU DISCUSSED THE CLAIMS
14:22:56 23 RAISED IN THESE LAWSUITS WITH ANY CURRENT OR FORMER
14:23:00 24 EMPLOYEES OF THE DEFENDANTS IN THE CASES, AFTERMATH
14:23:03 25 RECORDS OR UNIVERSAL RECORDS?

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14:23:11 1 A. YEAH, PROBABLY. YES.

14:23:13 2 Q. WITH WHOM?

14:23:14 3 A. DAVID COHEN. AND POSSIBLY RAND HOFFMAN.

14:23:25 4 Q. OKAY. WHEN DID YOU DISCUSS THE ISSUES

14:23:30 5 RAISED IN THESE LAWSUITS WITH DAVID COHEN?

14:23:34 6 A. I DON'T KNOW.

14:23:36 7 Q. WHO IS DAVID COHEN?

14:23:37 8 A. HE'S THE GENERAL MANAGER OF INTERSCOPE

14:23:40 9 RECORDS.

14:23:42 10 Q. TELL ME WHAT YOU SAID TO HIM AND WHAT HE

14:23:43 11 SAID TO YOU IN CONNECTION WITH THAT CONVERSATION.

14:23:46 12 MR. POMERANTZ: LET ME INSTRUCT YOU,

14:23:47 13 MR. PATERNO. TO THE EXTENT THAT THOSE CONVERSATIONS ARE

14:23:49 14 PRIVILEGED, WITH YOU AS THE LAWYER AND THEM AS THE

14:23:52 15 CLIENT, EITHER AS A CO-OWNER OF AFTERMATH OR WHATEVER, I

14:23:56 16 WOULD INSTRUCT YOU NOT TO ANSWER IT.

14:23:58 17 OBVIOUSLY IF THEY'RE NOT PRIVILEGED,

14:23:59 18 THEN YOU CAN ANSWER THE QUESTION.

14:24:03 19 THE DEPONENT: I'M -- THERE'S -- THERE'S

14:24:07 20 NOTHING SUBSTANTIVE IN ANY CONVERSATION I HAD WITH

14:24:10 21 EITHER OF THEM.

14:24:11 22 BY MR. BUSCH:

14:24:11 23 Q. WHAT DO YOU MEAN BY THAT?

14:24:13 24 A. I MEAN, I DON'T REALLY REMEMBER THE

14:24:14 25 CONVERSATIONS, BUT IT WAS SOMETHING ALONG THE LINES OF

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14:24:17 1 THAT -- "DO YOU KNOW WE'VE BEEN -- WE HAVE THIS LAWSUIT
14:24:20 2 WITH F.B.T.?"

14:24:22 3 AND I'D -- I'D -- I'D SAY, "YES," AND
14:24:23 4 THAT WAS ABOUT IT.

14:24:24 5 Q. BUT THERE WAS NO DISCUSSION OF THE
14:24:26 6 SUBSTANCE OR THE MERITS OF EITHER OF THE CASES?

14:24:30 7 A. I DON'T THINK SO.

14:24:31 8 Q. WHAT DO YOU UNDERSTAND THE ALLEGATIONS
14:24:33 9 IN THE F.B.T. CASE TO BE?

14:24:36 10 MR. POMERANTZ: YOU CAN ANSWER THAT AS
14:24:37 11 LONG AS IT'S NOT BASED ON ANY PRIVILEGED COMMUNICATIONS.

14:24:40 12 THE DEPONENT: I COULD BE WRONG. I KNOW
14:24:41 13 ONE OF THE CASES HAS TO DO WITH A CLAIM THAT DIGITAL
14:24:46 14 DOWNLOADS ARE LICENSES, BUT NOT SALES. THAT'S AS MUCH
14:24:51 15 AS I KNOW.

14:24:53 16 BY MR. BUSCH:

14:24:53 17 Q. AND WHAT ABOUT IN THE APPLE LAWSUIT, THE
14:24:55 18 LAWSUIT AGAINST APPLE?

14:24:57 19 A. I DON'T KNOW.

14:24:57 20 Q. OKAY. WHERE DID YOU GET YOUR
14:24:58 21 UNDERSTANDING THAT YOU JUST STATED AS FAR AS WHAT THE
14:25:02 22 ISSUE IS IN THE F.B.T. CASE?

14:25:04 23 A. TRADE MAGAZINES.

14:25:07 24 Q. NOT FROM ANY CONVERSATIONS WITH ANYBODY
14:25:10 25 ASSOCIATED WITH EITHER THE PLAINTIFFS OR THE DEFENDANTS?

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14:25:13 1 A. I DON'T KNOW. I MEAN, I MIGHT HAVE EVEN
14:25:14 2 READ THE COMPLAINT. I DON'T REMEMBER.

14:25:17 3 Q. OKAY. HAVE YOU SPOKEN TO ANYBODY
14:25:19 4 ASSOCIATED WITH THE PLAINTIFFS IN EITHER CASE ABOUT THE
14:25:22 5 ISSUES INVOLVED IN THESE CASES?

14:25:24 6 A. I DON'T THINK SO.

14:25:25 7 Q. OKAY. HAVE YOU DISCUSSED ANY OF THE
14:25:40 8 ISSUES INVOLVED IN THESE CASES WITH DR. DRE?

14:25:43 9 A. NO.

14:25:44 10 Q. OKAY. LET'S GO BACK FOR A SECOND, IF WE
14:26:06 11 COULD, TO YOUR POSITION AND ACTIVITIES AT HOLLYWOOD
14:26:13 12 RECORDS.

14:26:13 13 WHAT WAS YOUR DAY-TO-DAY JOB
14:26:14 14 RESPONSIBILITIES WHEN YOU WERE AT HOLLYWOOD RECORDS?

14:26:15 15 A. WELL, I RAN THE COMPANY, SO I WAS THE
14:26:18 16 CHIEF EXECUTIVE.

14:26:25 17 Q. AND WAS IT MICHAEL EISNER WHO TAPPED YOU
14:26:29 18 TO HEAD UP HOLLYWOOD RECORDS?

14:26:32 19 A. YES.

14:26:34 20 Q. OKAY. JUST GENERALLY IN YOUR ROLE AS
14:26:37 21 CHIEF EXECUTIVE, WHAT -- WHAT WERE YOU -- WERE YOU
14:26:40 22 RESPONSIBLE FOR SIGNING ARTISTS? WHAT WERE YOU
14:26:43 23 RESPONSIBLE FOR DOING? NEGOTIATING AGREEMENTS? JUST
14:26:45 24 GENERALLY, WHAT WERE YOUR DUTIES AND RESPONSIBILITIES?

14:26:47 25 A. MOSTLY MY RESPONSIBILITIES WERE

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14:26:49 1 OVERSEEING PEOPLE THAT SIGNED ARTISTS AND OVERSEEING
14:26:52 2 PEOPLE THAT MARKETED RECORDS OVERSEEING PEOPLE THAT
14:26:54 3 PROMOTED RECORDS. AND THAT WAS -- THAT'S KIND OF WHAT
14:26:57 4 YOU DO IN THAT JOB.

14:26:59 5 Q. OKAY. BUT --

14:26:59 6 A. YOU DON'T REALLY DO ANYTHING. YOU JUST
14:27:01 7 MEET WITH PEOPLE THAT DO THINGS.

14:27:03 8 Q. I UNDERSTAND.

14:27:04 9 AND YOUR EXPERTISE THAT ALLOWED YOU TO
14:27:08 10 HEAD UP THAT DEPARTMENT, WAS THAT OBTAINED THROUGH YOUR
14:27:11 11 EXPERIENCE AT MANATT.

14:27:14 12 A. I MEAN, PARTLY, I GUESS.

14:27:17 13 Q. WELL, WHEN YOU WERE AT MANATT, WHAT WERE
14:27:18 14 YOUR -- WERE YOU NEGOTIATING AGREEMENTS? WERE YOU
14:27:21 15 INVOLVED WITH SIGNING ARTISTS ON BEHALF OF CLIENTS?
14:27:23 16 WHAT WERE YOU -- WHAT WAS YOUR PRACTICE FOCUSED ON WHEN
14:27:26 17 YOU WERE AT MANATT?

14:27:27 18 A. MY PRACTICE WAS FOCUSED ON REPRESENTING
14:27:31 19 ARTISTS IN WHATEVER -- WELL, THAT WAS THE PRACTICE I
14:27:35 20 DEVELOPED. I STARTED OUT DOING A LOT OF WORK FOR RECORD
14:27:38 21 COMPANIES. I WAS -- MOST OF THE RECORD COMPANIES, WHEN
14:27:41 22 I STARTED OUT, DIDN'T HAVE IN-HOUSE LEGAL DEPARTMENTS,
14:27:43 23 AND SO THEY USED OUTSIDE COUNSEL.

14:27:47 24 AND WE WERE OUTSIDE COUNSEL FOR TWO OR
14:27:49 25 THREE MAJOR LABELS, AND I DID A LOT OF THE AGREEMENTS

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14:27:52 1 WHEN I STARTED OUT.

14:27:53 2 Q. AND HOW LONG DID THAT LAST BEFORE YOU
14:27:55 3 TRANSITIONED INTO REPRESENTING ARTISTS?

14:27:57 4 A. WELL, ONE OF THE COMPANIES FELL ON HARD
14:28:00 5 TIMES, AND ANOTHER ONE OF THE COMPANIES MOVED TO NEW
14:28:03 6 YORK, SO THEY MOVED A LOT OF THEIR BUSINESS TO NEW YORK
14:28:06 7 IN THE EARLY '80S. AND SO -- YOU KNOW. AND THE CLIENTS
14:28:09 8 I DEVELOPED WERE PRIMARILY ARTISTS.

14:28:11 9 Q. OKAY. AND WHO WERE THE -- WHO WERE THE
14:28:13 10 LABELS THAT FELL ON HARD TIMES IN THE 1980'S?

14:28:15 11 A. WELL, R.S.O. RECORDS. THEY HAD A BIG
14:28:22 12 SURGE WITH THE BEE GEES, AND THEN IT DIDN'T LAST
14:28:24 13 FOREVER. AND THEN WE ALSO DID WORK FOR ELECTRA/ASYLUM
14:28:28 14 RECORDS. THEY MOVED TO THE EAST COAST.

14:28:31 15 I STILL DID WORK FOR GEFLEN RECORDS
14:28:33 16 THROUGH MOST OF THE '80S.

14:28:35 17 Q. OKAY. GOING BACK, YOU SAID YOU
14:28:38 18 GRADUATED LAW SCHOOL, I BELIEVE, IN 1976 OR '77?

14:28:42 19 A. '76.

14:28:43 20 Q. DID YOU HAVE ANY EXPERIENCE IN THE
14:28:43 21 RECORD BUSINESS BEFORE YOU GRADUATED LAW SCHOOL?

14:28:46 22 A. NO.

14:28:47 23 Q. OKAY.

14:28:49 24 A. I BOUGHT RECORDS. DOES THAT COUNT?

14:28:51 25 Q. I GUESS WE ALL WOULD HAVE --

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14:28:53 1 A. YEAH.

14:28:54 2 Q. -- SOME EXPERIENCE, THEN.

14:28:58 3 A. NOBODY DOES THAT NOW, SO I GUESS NOBODY

14:29:00 4 IS GETTING EXPERIENCE.

14:29:09 5 Q. IS ANDRE YOUNG YOUR CLIENT?

14:29:11 6 A. YES.

14:29:12 7 Q. OKAY. AND ANDRE YOUNG IS PROFESSIONALLY

14:29:16 8 KNOWN AS DR. DRE?

14:29:17 9 A. YES.

14:29:19 10 Q. IS AFTERMATH YOUR CLIENT?

14:29:21 11 A. YES.

14:29:27 12 Q. IS INTERSCOPE YOUR CLIENT?

14:29:29 13 A. NO.

14:29:32 14 Q. AND IS U.M.G. YOUR CLIENT?

14:29:33 15 A. NO.

14:29:34 16 Q. OKAY. WHAT IS THE NATURE OF YOUR

14:29:39 17 RELATIONSHIP WITH ANDRE YOUNG/DR. J -- DR. DRE? SORRY.

14:29:45 18 A. WHAT DO YOU MEAN, WHAT'S THE NATURE OF

14:29:47 19 MY RELATIONSHIP?

14:29:48 20 Q. IS IT -- ARE YOU PARTNERS? IS HE SIMPLY

14:29:50 21 A CLIENT OF YOURS? ARE YOU JOINT OWNERS OF ANYTHING?

14:29:56 22 (SPEAKING SIMULTANEOUSLY.)

14:29:57 23 THE DEPONENT: NO. I'M -- I'M -- I'M

14:29:57 24 HIS LAWYER.

25 ///

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14:30:00 1 BY MR. BUSCH:

14:30:00 2 Q. FOR WHAT ENTITIES? FOR HIM PERSONALLY
14:30:02 3 OR FOR OTHER ENTITIES HE OWNS OR CONTROLS?

14:30:05 4 A. PRETTY MUCH EVERYTHING HE DOES.

14:30:07 5 Q. OKAY. AND SO WHAT ARE THE BUSINESSES
14:30:13 6 THAT -- IN THE RECORD BUSINESS THAT ARE OWNED OR
14:30:15 7 CONTROLLED BY DR. DRE?

14:30:16 8 A. HE OWNS THE PUBLISHING COMPANY.

14:30:19 9 Q. WHAT'S THE NAME OF THAT PUBLISHING
14:30:21 10 COMPANY?

14:30:21 11 A. THERE'S A COUPLE. THERE'S NOTHIN' GOING
14:30:23 12 ON BUT FUNK AND MUSIC, HARDWORKING BLACK FOLK MUSIC. I
14:30:30 13 THINK THOSE ARE HIS TWO PRIMARY PUBLISHING COMPANIES.

14:30:34 14 HE OWNS AN INTEREST IN AFTERMATH
14:30:36 15 RECORDS. AND THOSE ARE HIS PRIMARY BUSINESSES. THAT'S
14:30:42 16 HOW HE MAKES MONEY.

14:30:44 17 Q. OKAY. WHAT IS ARY, A-R-Y, INC.?

14:31:10 18 A. ARY, INC.?

14:31:12 19 Q. YES.

14:31:12 20 A. IT'S A CORPORATE ENTITY OF DRE'S. I
14:31:15 21 THINK THAT'S THE ENTITY -- IT'S WHOLLY OWNED BY DRE, AND
14:31:21 22 I THINK THAT'S THE ENTITY THAT'S A PARTNER WITH
14:31:23 23 INTERSCOPE AND AFTERMATH MUSIC -- I MEAN AFTERMATH
14:31:27 24 ENTERTAINMENT.

14:31:32 25 Q. OKAY. DID YOU HAVE ANY INVOLVEMENT WITH

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14:31:36 1 THE FORMATION OF ARY?

14:31:41 2 A. PERSONALLY, NO.

14:31:42 3 Q. OKAY.

14:31:43 4 A. MY FIRM MIGHT HAVE FORMED IT, BUT I

14:31:45 5 DON'T REMEMBER. IT WAS A LONG TIME AGO.

14:31:52 6 Q. ALL RIGHT. ARE YOU A BOARD MEMBER?

14:31:53 7 A. I DON'T THINK SO, BUT I MIGHT BE.

14:31:54 8 Q. YOU DON'T KNOW?

14:31:55 9 A. NO. I HAVE NO IDEA.

14:31:56 10 Q. ARE YOU AN INCORPORATOR OF THAT

14:31:59 11 CORPORATION?

14:31:59 12 A. PERSONALLY, NO. SOMEBODY IN MY LAW FIRM

14:32:02 13 MAY HAVE DONE IT.

14:32:03 14 Q. OKAY. WHAT IS THE NATURE OF YOUR ROLE

14:32:04 15 WITH AFTERMATH RECORDS?

14:32:06 16 A. I'M THE LAWYER.

14:32:07 17 Q. OKAY. ARE YOU OUTSIDE COUNSEL? ARE YOU

14:32:11 18 PAID AS AN EMPLOYEE, A LAWYER WHO'S AN EMPLOYEE OF THE

14:32:15 19 COMPANY, OR ARE YOU JUST OUTSIDE COUNSEL?

14:32:19 20 A. OUTSIDE COUNSEL.

14:32:21 21 Q. HAS IT CHANGED OVER TIME?

14:32:22 22 A. NO.

14:32:23 23 Q. DO YOU NEGOTIATE ON BEHALF OF AFTERMATH

14:32:26 24 RECORDS?

14:32:27 25 A. YES.

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14:32:27 1 Q. OKAY. HAVE YOU EVER REPRESENTED AN
14:32:31 2 ARTIST SIGNED TO AFTERMATH?

14:32:38 3 A. I DON'T THINK SO.

14:32:41 4 Q. OKAY. WHEN YOU SAY YOU NEGOTIATE ON
14:32:45 5 BEHALF OF AFTERMATH RECORDS, WHAT TYPE OF AGREEMENTS DO
14:32:48 6 YOU NEGOTIATE ON BEHALF OF AFTERMATH RECORDS?

14:32:52 7 A. PRIMARILY AGREEMENTS OF ARTISTS, ARTISTS
14:32:55 8 SIGNED TO AFTERMATH.

14:32:57 9 Q. OKAY. HAS THAT ROLE EVER CHANGED, OR IS
14:33:00 10 THAT PRIMARILY THE TYPE OF WORK YOU'VE DONE FOR
14:33:04 11 AFTERMATH RECORDS?

14:33:05 12 A. THAT'S PRIMARILY WHAT WE DO. THEY HAVE
14:33:07 13 EMPLOYMENT AGREEMENTS. WE DO THOSE FROM TIME TO TIME.
14:33:10 14 BUT, YOU KNOW, PRIMARILY IT'S ARTIST AGREEMENTS OR
14:33:13 15 AGREEMENTS WITH PRODUCERS. IT'S PRIMARILY WHAT WE DO.

14:33:16 16 Q. WHAT YEAR WAS AFTERMATH RECORDS FORMED?

14:33:19 17 A. I THINK 1996.

14:33:23 18 Q. OKAY.

14:33:24 19 A. I THINK IT'S AFTERMATH ENTERTAINMENT,
14:33:26 20 BUT I -- IT'S HARD -- THAT MAY BE WRONG. IT SWITCHED
14:33:29 21 BACK AND FORTH.

14:33:30 22 Q. I'LL JUST SAY AFTERMATH.

14:33:32 23 A. RIGHT.

14:33:32 24 Q. OKAY. FROM 1996 UNTIL TODAY, HAS THE
14:33:37 25 NATURE OF THE NEGOTIATIONS, WHEN AN ARTIST IS SIGNED TO

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14:33:41 1 AFTERMATH, CHANGED? AND WHAT I MEAN BY THAT IS: HAVE
14:33:45 2 THE PEOPLE WHO'VE BEEN INVOLVED ON THE AFTERMATH SIDE
14:33:49 3 STAYED PRETTY MUCH CONSISTENT?

14:33:51 4 A. YES.

14:33:51 5 Q. OKAY. AND WHO HAVE THOSE PEOPLE BEEN?

14:33:54 6 A. ME, DRE, AND WHATEVER PERSON AT MY FIRM
14:34:05 7 HANDLES THE DRE ACCOUNT. THERE'S --

14:34:08 8 Q. WHAT DOES THAT MEAN?

14:34:09 9 A. WE STAFF -- WE TYPICALLY STAFF A
14:34:12 10 PARTICULAR CLIENT WITH A -- IF IT'S MY CLIENT, WITH ME,
14:34:16 11 SECOND IN COMMAND AND A PARALEGAL.

14:34:18 12 Q. OKAY. SO BASICALLY YOU'RE THE LEAD GUY.
14:34:21 13 YOU PUT AN ASSOCIATE ON IT, AND YOU HAVE A PARALEGAL IN
14:34:24 14 CONNECTION WITH EACH PROJECT? IS THAT WHAT YOU'RE
14:34:26 15 TELLING ME?

14:34:26 16 A. YES. BUT THEN, OF COURSE, THE
14:34:28 17 ASSOCIATES STAY THERE SO LONG THAT THEY ALL BECOME
14:34:31 18 PARTNERS AND -- UNECONOMICAL, BUT, YOU KNOW, THAT'S WHAT
14:34:35 19 WE DO.

14:34:35 20 Q. OKAY. I UNDERSTAND.

14:34:36 21 A. WE'RE A SMALL FIRM. WE DON'T HAVE THE
14:34:38 22 BIG LEVERAGE THAT YOU BIG FIRMS HAVE.

14:34:41 23 Q. WHAT IS THE NATURE OF AFTERMATH RECORDS
14:34:43 24 DOING BUSINESS AS AFTERMATH ENTERTAINMENT, DO YOU KNOW?

14:34:45 25 A. NO, I DON'T KNOW.

DEPOSITION OF PETER PATERNO

1 STATE OF CALIFORNIA)
2) SS.
3 COUNTY OF LOS ANGELES)
4
5

6 DEPONENT'S DECLARATION
7
8
9

10 I CERTIFY UNDER PENALTY OF PERJURY THAT THE
11 FOREGOING IS TRUE AND CORRECT.
12
13
14
15

16 EXECUTED AT _____ ON _____ .
17
18
19

20 _____
21 (SIGNATURE OF DEPONENT)
22
23
24
25

DEPOSITION OF PETER PATERNO

1 STATE OF CALIFORNIA)
2 COUNTY OF LOS ANGELES) SS.

3

4 I, ALEJANDRIA BAKER, CERTIFIED SHORTHAND REPORTER,
5 CERTIFICATE NUMBER 11897, FOR THE STATE OF CALIFORNIA,
6 HEREBY CERTIFY:

7 THE FOREGOING PROCEEDINGS WERE TAKEN BEFORE ME AT
8 THE TIME AND PLACE THEREIN SET FORTH, AT WHICH TIME THE
9 DEPONENT WAS PLACED UNDER OATH BY ME;

10 THE TESTIMONY OF THE DEPONENT AND ALL OBJECTIONS
11 MADE AT THE TIME OF THE EXAMINATION WERE RECORDED
12 STENOGRAPHICALLY BY ME AND WERE THEREAFTER TRANSCRIBED;

13 THE FOREGOING TRANSCRIPT IS A TRUE AND CORRECT
14 TRANSCRIPT OF MY SHORTHAND NOTES SO TAKEN;

15 I FURTHER CERTIFY THAT I AM NEITHER COUNSEL FOR NOR
16 RELATED TO ANY PARTY TO SAID ACTION, NOR IN ANY WAY
17 INTERESTED IN THE OUTCOME THEREOF.

18 IN WITNESS WHEREOF, I HAVE HEREUNTO SUBSCRIBED MY
19 NAME THIS 12TH DAY OF MAY, 2008.

20

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