

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF MISSOURI
CENTRAL DIVISION

TODD JANSON, et al.,)	
)	
Plaintiffs,)	
)	Case No.
vs.)	10-04018-CV-C-NKL
)	
LEGALZOOM.COM, INC.,)	
)	
Defendant.)	
)	

Deposition of EDWARD RICHARD HARTMAN
Wednesday, February 16, 2011

Reported by: Vicki A. Saber
CSR No. 6212, RPR, CRR, CCRR

Exhibit D

1 Q. And the same question as to trademark
2 applications.

3 A. I would say that's very likely as well.

4 Q. How about divorce, would that include any
5 divorce obtained through LegalZoom relating to divorce?

6 A. I'm not certain that LegalZoom would have
7 included any divorce documents to -- would have sold any
8 divorce documents or -- I'm not certain that any divorce
9 documents are included in that total.

10 Q. Mr. Liu testified earlier today that LegalZoom
11 utilizes or refers customers, as it were, to a law firm
12 that specializes in bankruptcy. Okay? As to
13 bankruptcy, does that figure in paragraph 10 of your
14 Declaration, would that include any bankruptcy-related
15 document?

16 MR. THOMPSON: I'll object to the question to
17 the extent it misstates Mr. Liu's testimony. I think it
18 does characterize his testimony, but his testimony will
19 be reflected in the record and we'll stand on that.

20 THE WITNESS: I'm sorry. I'm unclear. Am I
21 supposed to answer?

22 MR. THOMPSON: Yes.

23 THE WITNESS: I am not certain.

24 BY MR. BUTSCH:

25 Q. Okay. Mr. Liu talked about, and I think you

1 "Taking refunds into account as negative payments this
2 report shows a total amount of fees paid to LegalZoom
3 for transactions involving documents for which the
4 customer provided a Missouri shipping address."

5 A. I'm sorry, sir. I didn't hear a statement --
6 a question.

7 Q. Okay. That suggests to me that in instances
8 where no actual documents were shipped to -- or shipped
9 by LegalZoom to the customer at the shipping address
10 given, that those transactions would not have been
11 encompassed in the figures that are included in your
12 Declaration. Am I correct about that?

13 MR. THOMPSON: I object. Vague and ambiguous.
14 I mean, you can answer.

15 THE WITNESS: We state shipping address in
16 that Declaration. I believe, however, additional
17 efforts were made in the interest of being scrupulous to
18 attach additional ZIP codes in the extreme, and I
19 emphasize extreme, minority of customers that did not
20 actually get a document shipped to them.

21 BY MR. BUTSCH:

22 Q. Okay. So this -- the figures in the
23 Declaration could include customers who paid fees to
24 LegalZoom but did not actually have a document shipped
25 to them?

1 did in your previous deposition as well, that there are
2 certain downloadable stand-alone forms that can be
3 obtained through the LegalZoom website. That is, the
4 customer can download the form, print out a hard copy
5 themselves, and then fill in the blanks on the form. Were
6 those sorts of downloadable forms included in that --
7 the calculation that was done that's referred to in your
8 Declaration?

9 A. They may be. I'm not a hundred percent
10 certain. I would say there's some doubt there.

11 Q. Can I see that Declaration for a moment.

12 A. Certainly.

13 Q. The reason I ask these questions is that the
14 figures here seem to be predicated on the customer
15 providing a shipping address. Would you agree with me
16 that the figures that you refer to in this Declaration
17 only refer to those customers who would have received a
18 hard or final copy of a document through LegalZoom --
19 would have received that through a shipment?

20 A. I do not agree with that statement.

21 Q. Okay. And why don't you agree with that?

22 A. I believe that we would have brought in the
23 customer's ZIP code if obtained during the purchase
24 process.

25 Q. Okay. Paragraph 7 on the Declaration says,

1 A. It may.

2 Q. It may. You're not sure one way or the other?

3 A. Not a hundred percent.

4 Q. You're familiar with the term "suitcase" as
5 that term is used at LegalZoom?

6 A. I am.

7 Q. And can you tell me what a suitcase is.

8 A. A suitcase is LegalZoom's internal term for a
9 collection of customers' answers to questions on our
10 website accessed through the branching intake process
11 which we colloquially refer to as our questionnaire.

12 Q. Your questionnaire?

13 A. Yes.

14 Q. The questionnaire is the series of questions
15 that a customer seeking a particular document, let's
16 say, for example, a will, would answer in the process of
17 obtaining a will through the LegalZoom website, right?

18 A. The questionnaire is the set of questions that
19 the customer would answer, yes.

20 Q. And as you have described it in the past,
21 depending on what a particular -- depending on the
22 particular response that a customer may give, that may
23 lead him to a -- him or her to a different set of
24 questions than it would have led him had he or her -- he
25 or her answered the question in a different way,

1 A. Next the customer for a will product would be
2 shown options about shipping speed and what we call
3 packages.

4 Q. And the different packages, whether it be
5 premium or gold, those packages are differentiated on
6 the speed of the delivery of the document shipment to
7 the customer; is that right?

8 A. That's the primary differentiator, yes.

9 Q. Okay. As far as LegalZoom is concerned in
10 preparing the document for it to be sent to the
11 customer, and assuming that the customer has completed
12 the questionnaire to the customer's satisfaction, what
13 does LegalZoom do on its end?

14 A. Well, the LegalZip automation software takes
15 over, assuming that the customer has paid and payment
16 clears. The document is printed on museum-quality
17 paper, and then the document is sent to the customer.

18 Q. Is there anyone at LegalZoom who actually
19 looks at the physical document as printed to make sure
20 that it's in order?

21 A. Yes.

22 Q. Would it be just one person that would check a
23 particular document shipped to a person, or would there
24 be various people that would check various aspects of
25 that particular document?

1 A. I believe it's just one person.

2 Q. And they're checking to make sure that the
3 printing of the document is okay? That the margins are
4 in order? That there's no obvious defects --

5 A. Yes.

6 Q. -- is that right?

7 A. Right.

8 Q. Is that a computer-aided process, or is that
9 something that somebody does manually with a physical
10 document in front of them and just simply visually
11 examining the document?

12 A. A human visually examines the document.

13 Q. Is there any computer-aided examination that
14 goes on as far as you know he?

15 A. There's no computer examination for physical
16 defects of the type that you described.

17 Q. Okay. Is there any check to make sure that
18 the document -- the information that was provided by the
19 customer in the question-and-answer process corresponds
20 with the information that actually appears in the
21 document?

22 A. A check to make sure that the answers in the
23 customer's, again, what we refer to as suitcase, are the
24 ones that show up in the document?

25 Q. Yes.

1 A. I don't believe so, no. If there is one, I'm
2 not aware of it.

3 Q. In my understanding of this LegalZip software
4 that you've referred to, its function is to take the
5 information that is gathered from the customer in the
6 question-and-answer process, taking that information and
7 importing it into what ultimately would be the will --
8 last will and testament of the customer; is that
9 correct?

10 A. Yes.

11 Q. Your counsel has produced to us a suitcase for
12 each and every document subject to the question and
13 branching mechanism for every document available for
14 customers in Missouri. What I'd like to do is go
15 through with you -- go through these with you and ask
16 you what document that each suitcase relates to. Okay?

17 A. Yes.

18 Q. Let me start by asking --

19 MR. THOMPSON: Let me interrupt for a second.
20 If I give you this index, will that shortcut this
21 process?

22 MR. BUTSCH: Yes.

23 MR. THOMPSON: Okay. Then I'll give it to
24 you.

25 MR. BUTSCH: Let's mark this as an exhibit.

1 MR. THOMPSON: You can mark it, yeah. The
2 witness isn't going to know whether the index is right
3 because we did the index.

4 MR. BUTSCH: Well, I'm going to mark this as
5 an exhibit.

6 I've marked an index -- a document labeled
7 "LegalZoom.com Index of Suitcases," and we've labeled
8 that as LegalZoom Exhibit 103.

9 (Exhibit 103 was marked for
10 identification.)

11 MR. BUTSCH: Am I correct, Mr. Thompson, that
12 this index accurately reflects by Bates number and by
13 document title each particular legal document
14 represented by each suitcase that has been produced?

15 MR. THOMPSON: Unless we made some mistake
16 that I don't know about, yes, you're correct. That's
17 certainly the intention, and it's certainly my belief
18 that it does.

19 MR. BUTSCH: What I can do -- what I'd like to
20 do is I'll make a stack of the suitcases for
21 Mr. Hartman, and then he can look at the index, and then
22 he can just go down and verify that each of those --

23 MR. THOMPSON: If I stipulate, why does he
24 need to do that? You're the --

25 MR. BUTSCH: Because I want these --