## **EXHIBIT D**

UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK

BOURNE CO.,

Plaintiff,

-against-

TWENTIETH CENTURY FOX FILM CORPORATION, )
FOX BROADCASTING COMPANY, TWENTIETH )
CENTURY FOX TELEVISION, INC., TWENTIETH )
CENTURY FOX HOME ENTERTAINMENT, INC., )
FUZZY DOOR PRODUCTIONS, INC., THE )
CARTOON NETWORK, INC., SETH MACFARLANE, )
and WALTER MURPHY,

Defendants.

Case No. 07 Civ. 8580 (DAB)

Deposition of JEREMIAH HORAN, pursuant to Rule 30(b)(6) Notice, held at the offices of Loeb & Loeb, 345 Park Avenue, New York, New York, on Friday, February 29, 2008, commencing at 9:57 a.m., before James W. Johnson, Registered Professional Reporter and a Notary Public of the State of New York.

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Horan

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MR. ZAVIN: And just again for clarification of the record, that letter is Bates stamped Bourne 0001 through 0002.

O. Mr. Horan, can you explain to me why, 6 having discovered this in March of 2007, Bourne made no claim or didn't bring this to the attention 9 of Fox until June 21st, 2007.

A. As I said, we were researching to make 10 11 sure that we in fact had not issued any licenses or 12 had not received any kind of requests for licenses, 13 and discussed possible actions to take directly, 14 and we decided at that point that we would consult

15 Mr. Levy.

Q. Prior to March 2007 had anyone 16 communicated any complaint to Bourne with respect 17 18 to this use of "When You Wish Upon A Star?"

19 A. No.

20 O. Had any licensee or potential licensee 21 of "When You Wish Upon A Star" communicated any complaint or brought this use to the attention of 23 Bourne?

24 A. No.

Q. Had any licensee prior to March 2007 25

Horan

2 Fox in "Family Guy?" The decision was made because as a music

publisher we have a right and an obligation to protect our copyrights, and we felt that this use was an invalid use, was an unlicensed use, and therefore we had a right and an obligation to make a claim.

Q. Was that the sole reason? 9

A. Yes.

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(Horan Exhibit 3, Complaint and Jury Demand, marked for identification.)

Q. From 1999 to the present, when you were 13 doing your second stint at Bourne --14 15

A. Yes?

16 O. -- do you know how many copyright suits 17 Bourne commenced to protect its copyrights? MR. FAKLER: Object on the ground it's 18

19 outside the scope of the 30(b)(6) notice. 20

MR. ZAVIN: Objection is noted.

21 A. I know specifically of two that did not go to trial, that complaints were made for invalid 22 23 use of Bourne copyright songs.

O. Do you know what songs were involved? 24

> A. Yes.

> > Page 25

Horan

said they weren't going to license "When You Wish Upon A Star" because of the use in "Family Guy?" 3

4 A. No.

Has Bourne ever granted a license to parody "When You Wish Upon A Star?" 6

7 A. No.

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Q. Is that -- has anyone ever asked for a license to parody "When You Wish Upon A Star?"

Not to my knowledge.

But it's fair to say you don't know 11

whether the request that Fox made was to parody

"When You Wish Upon A Star?" 13

A. I'm sorry, but I don't, I don't know 14 15 that, I never saw the original request from Fox, so 16 I don't know what it says.

Right, and Bourne doesn't know what it 17 Q. 18 says?

Right, so we can't say that, I can't say 19 20 that, if, that Fox was the first one. I cannot say 21 that.

But you just don't know either way? Q.

23 Either way, correct. A.

Why was the decision made to make a 24 Q. 25 claim against Fox with respect to this, the use by Horan

Which songs were they?

One was "Whistle While You Work," and 3 one was "Hi Ho." The other was "Hi Ho."

Who were these claims made against?

"Whistle While You Work" was made 6

against the Ying Yang Twins and their record

company, the name of which I cannot remember, and

the other was, the other suit was against Alfred 10 Publishing.

11

Were uses made of either of these songs O. claimed to be parodies?

13 A.

Do you know what market substitution is? O.

15 Α.

16 In your view, what is market

17 substitution?

18 In the case of in the music industry, the use of one song for another song or a similar 19 song, substituting one song for another, for 20

21 whatever use is being made.

22 O. So that is it fair to say a potential

23 licensee, you know, wants song A, but instead of 24 using song A it uses song B?

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That's correct.

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Q. Does Bourne have evidence of "I Needed 2 3 You" substituting in the market for "When You Wish 4 Upon A Star?"

A. Well, we have the immediate evidence 6 that we don't have a synchronization license or fee 7 for the use on "Family Guy." Nor do we have 8 performance income from that use, but then also, as 9 stated in Ms. Siroka's report, we don't always, people don't tell us why they don't use a song, but 10 11 these things do affect a potential user's decision 12 to use the song.

Q. Let me clarify the question.

Does Bourne have any evidence that any 15 potential licenser, putting Fox aside for the 16 moment, that "Family Guy" any other potential user or licenser or purchaser of songs has chosen to purchase "I Needed You" instead of purchasing or licensing "When You Wish Upon A Star?"

20 A. No, we do not.

21 (Horan Exhibit 4, Responses to

Defendant's First Request for Admissions, 22

23 marked for identification.)

Q. I'm showing you a document that's been 24 25 marked as Exhibit 4, which I will represent to you

Horan

A. In my opinion, no.

So could you explain to me the basis for the denial of request for admission number 11, which states, "Admit that," quote, "I Needed

You," end quote, "cannot serve as a substitute in the market for the song."

A. Again, I, I don't know that -- we don't, Bourne Company doesn't know that somebody, what somebody could do, so therefore we deny it. We can't say specifically that it cannot serve as a 11 12 substitute in the marketplace for the song.

O. But it's your opinion that it cannot? I 13 think you just testified to that. 14

> MR. FAKLER: Objection, asking for a lay opinion.

Again, my personal opinion is that it 17 Α. 18 cannot.

19 O. And then let's go to request for 20 admission number 12, which says, "Admit that 21 plaintiff," or Bourne, "is not aware of any 22 instances where a consumer or other potential user 23 or licensee of this song has purchased, used or 24 licensed I Needed You' instead of the song." What is the basis of the denial of that

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Horan

is the responses to requests for admissions that we received from Bourne, and the first question is, do you recognize it?

5 A. Yes.

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O. You've seen it before?

7 A. Yes. I have.

Q. Did you participate in its preparation? 8

A. Yes, I did.

O. Okay, could you tell me the basis of the 10

denial for request for admission number 10 on 11

page 5, and just so the record is clear, the 12

13 request for admission reads, "Admit that," quote,

14 "'I Needed You," end quote, "has not served as a

15 substitute in the market for the song," the song

16 being "When You Wish Upon A Star," and what is the

basis for the denial of that request for admission? 17

18 A. Because we were not aware of any use does not necessarily mean to us that it has not 19 20 been used.

21 Q. In your opinion, would any licenser who wants to use "When You Wish Upon A Star" think that 22

"I Needed You" is an acceptable substitute? 23

24 MR. FAKLER: Objection to the request 25 for an opinion, a lay opinion.

Horan

request for admission?

A. Again, we are not aware of any, but we don't know, so we can't admit that, we cannot say that there is an instance or not.

O. Mr. Horan, I suggest that you read that request for admission carefully, because I believe that it asks, admit that you are not aware of any instances of substitution, and yet you denied that, which is denying -- it implies to me that you are aware of instances of market substitution. 11

Can you explain to me what the basis of the denial for that request for admission was.

A. No. I cannot in that case.

O. Do you agree with me that Bourne does, is not aware of any instance where a consumer or other potential user or licensee of the song has 17 purchased, used or licensed "I Needed You" instead 18 19 of the song?

MR. FAKLER: Objection, misstates his prior testimony.

22 MR. ZAVIN: I, I was asking him whether 23 he agreed with that statement.

24 You can answer the question.

25 Would you repeat the question.

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- 2 Q. That Bourne is not aware of any 3 instances where a consumer or any other potential user or licensee for the song has purchased, used or licensed "I Needed You" instead of the song.
  - Correct, we are not aware.
- O. Now, other than Ms. Siroka's opinion -put that aside for the moment -- does Bourne have any evidence that the song "I Needed You" as it appears in "Family Guy" has harmed the market for 10 11 "When You Wish Upon A Star?"
- 12 A. As I said, the, the fact that it was 13 used without a license in "Family Guy" is, is -- no 14 synch license, no performance license, has harmed 15 our market.

O. Putting aside any royalty you were

- 17 deprived of by Fox, Fox's use, putting aside 18 Ms. Siroka's report, do you have any evidence whatsoever that the song "I Needed You" as it 19 appears in "Family Guy" has harmed the market for 20 21 "When You Wish Upon A Star?"
- 22 A. No.
- 23 When did you first contact -- and when I Q. 24 say "you" I mean Bourne -- first contact

25 Ms. Siroka? 1

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Q. -- does that conform with your personal 2 knowledge that the complaint was prepared and/or served approximately on October 3rd?

Horan

A. Yes.

6 And is that, and is -- am I correct that O. that is well before there was any contact made with Ms. Siroka or any report received from Ms. Siroka? 9

A. Yes.

10 Q. In that case, sir, could you tell me the 11 basis in paragraph five for the statement that 12 defendants -- and I'm quoting now -- quote, 13 "Defendants' infringing activities have also caused substantial and irreparable harm to Bourne."

Would you repeat the question, please.

16 Could you tell me the basis of the 17 statement in the complaint in paragraph five where it is asserted that, quote, "Defendants' infringing activities have also caused substantial and irreparable harm to Bourne." 20

A. We feel that this use without a license, 22 and with the nature of the lyrics that were used, will be harmful to Bourne for two reasons; first, 24 that it would appear that Bourne did not protect 25 its copyrights, in that it was, a use such as this

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Horan

We contacted -- we didn't have direct 2 contact with her. She was contacted by our attorneys. 5

O. Do you know when?

6 I don't know the exact date. It was Α. within the last month.

Okay, that is actually what I wanted to 9 know, so I'm going to show you a document that's 10 been marked as Exhibit 3 in this proceeding, which 11 I will represent to you is the complaint that was served against the defendants. 12 13

Do you recognize that document?

- Yes, I do.
- 15 Q. Did you see it at the time it was 16 drafted?
- 17 A. Yes.
- 18 So is it fair to say that you saw it Q. 19 before it was served?
- 20 A. Yes.
- And the complaint is dated October 3rd, 21
- 22 2007; is that correct?
- 23 A. October 3rd?
- 24 If you'll look at the page 11 --Q.
- 25 Α. Yes.

Horan

2 was made without our consent; and secondly, that, with the nature of the use of a classic like "When You Wish Upon A Star," we felt that it could harm the potential market for the use in commercials and in other films.

O. But isn't it fair to say, I think as you previously testified, you didn't have any evidence 9 that any such harm had occurred?

MR. FAKLER: Objection, vague as to what you mean by "evidence." You mean admissible evidence?

MR. ZAVIN: No. In the common layman's terms.

- Q. Did you have any evidence in October 15 16 2007 that there has been any actual harm to the 17 composition?
- 18 A. The evidence we have is that we have, 19 I've got 25 years' experience in the business, the 20 owner of the company's been in business for a long 21 time, and if a song is used, although we cannot 22 give you dollars-and-cents figures, how a song is 23 used in one instance can and has affected how the 24 song is used in future instances, and we feel that 25 this is a case, exactly this kind of a case now.

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Page 60 Page 58 1 Horan 1 Horan 2 in 1998, until 2005 in fact, the only person who 2 this on the grounds that it's outside the would have denied or handled a telephone call scope of the 30(b)(6) notice. 3 4 requesting a use would have been Beebe Bourne, who 4 MR. ZAVIN: Well, it isn't. has since passed away, B-E-E-B-E Bourne, who died 5 MR. FAKLER: How is it within, how is in 2005. 6 the public association of Walt Disney on this 7 MR. FAKLER: That's all I have. 7 notice? Can you show it to me. 8 8 DI O. Mr. Horan, did you ever watch in the MR. ZAVIN: Okay, just very simple. **EXAMINATION BY MR. ZAVIN:** 9 1950s the television program "The Wonderful World 10 O. I just -- I understand that Beebe Bourne 10 Of Disney?" 11 died, but your answer remains correct that Bourne 11 MR. FAKLER: I'm going to instruct the as a company does not have any record of the witness not to answer. This is way outside of 12 request, a request coming in or what the nature of 13 anything on this list. the request was or why it was denied if it was Q. Mr. Horan, are you following the 14 15 denied; is that correct? 15 instruction of your counsel? 16 A. That is correct. 16 A. Yes, I am. 17 17 Q. Okay. And just with respect to your MR. ZAVIN: I have no further questions. 18 first clarification, is it, does the rest of your 18 MR. FAKLER: Can we take 10. answer remain the same, that you, other than the 19 MR. ZAVIN: Sure. loss of whatever revenue that they might have MR. FAKLER: Thanks. 20 20 21 expected to receive by Fox from the use, Bourne has 21 (Recess taken.) no evidence of market harm or market substitution? 22 MR. FAKLER: First I'd just on the 22 23 A. That is correct. 23 record like to request that Mr. Horan have the 24 MR. ZAVIN: Okay, I have no further opportunity to review and correct any final 24 25 questions, except I reserve the right to 25 transcript of the deposition. Page 61 Page 59 1 Horan 1 Horan 2 reopen this should the court move favorably, MR. ZAVIN: Agreed. 2 that the witness was improperly instructed not 3 MR. FAKLER: And so -- thanks, and I 3 to answer certain questions or certain lines 4 have just a little bit of cross here, so to 4 5 of auestions. 5 speak. 6 (Time noted: 11:45 a.m.) 6 EXAMINATION BY MR. FAKLER: 7 O. Mr. Horan, having answered a series of 8 8 questions, is there anything in your testimony that JEREMIAH HORAN 9 you feel the need, looking back on it, to amplify 9 10 10 or clarify? 11 A. Yeah, there were a couple of questions Sworn and subscribed to 12 regarding market substitution and harm to the 12 before me this 2008. 13 market. In a couple of instances I gave an answer 13 of 14 14 of, if asked if there was any harm I said -- and I 15 guess just an answer -- no, but in those instances 15 NOTARY PUBLIC 16 16 I should, should have said that, brought up the 17 loss of revenue from the "Family Guy" use that does 17 18 18 affect Bourne Company. 19 And then there was also a question about 19 20 the, whether or not I was aware of whether or not 20 21 the, a request from Fox had come in for the use, 21 22 22 and I said I was not aware whether or not it came 23 in or what was, whether it was denied or how it was 23 24 24 denied. 25 25 That should be clarified to state that

Page 58 Page 60 Horan Horan 1 2 in 1998, until 2005 in fact, the only person who this on the grounds that it's outside the 2 3 would have denied or handled a telephone call 3 scope of the 30(b)(6) notice. 4 requesting a use would have been Beebe Bourne, who 4 MR. ZAVIN: Well, it isn't. 5 has since passed away, B-E-E-B-E Bourne, who died 5 MR. FAKLER: How is it within, how is 6 6 in 2005. the public association of Walt Disney on this 7 MR. FAKLER: That's all I have. 7 notice? Can you show it to me. MR. ZAVIN: Okay, just very simple. 8 DI Q. Mr. Horan, did you ever watch in the 8 9 **EXAMINATION BY MR. ZAVIN:** 1950s the television program "The Wonderful World O. I just -- I understand that Beebe Bourne 10 10 Of Disney?" 11 died, but your answer remains correct that Bourne 11 MR. FAKLER: I'm going to instruct the 12 as a company does not have any record of the witness not to answer. This is way outside of 12 13 request, a request coming in or what the nature of 13 anything on this list. 14 the request was or why it was denied if it was Q. Mr. Horan, are you following the 14 15 denied; is that correct? 15 instruction of your counsel? 16 A. That is correct. A. Yes, I am. 16 17 O. Okay. And just with respect to your MR. ZAVIN: I have no further questions. 17 18 first clarification, is it, does the rest of your 18 MR. FAKLER: Can we take 10. answer remain the same, that you, other than the 19 19 MR. ZAVIN: Sure. 20 loss of whatever revenue that they might have 20 MR. FAKLER: Thanks. 21 expected to receive by Fox from the use, Bourne has 21 (Recess taken.) 22 no evidence of market harm or market substitution? MR. FAKLER: First I'd just on the 22 23 A. That is correct. 23 record like to request that Mr. Horan have the MR. ZAVIN: Okay, I have no further 24 opportunity to review and correct any final 24 questions, except I reserve the right to 25 25 transcript of the deposition. Page 61 Page 59 1 Horan 1 Horan 2 reopen this should the court move favorably, 2 MR. ZAVIN: Agreed. that the witness was improperly instructed not 3 MR. FAKLER: And so -- thanks, and I 3 4 to answer certain questions or certain lines have just a little bit of cross here, so to 4 5 of questions. 5 speak. 6 (Time noted: 11:45 a.m.) **EXAMINATION BY MR. FAKLER:** 6 7 7 Mr. Horan, having answered a series of questions, is there anything in your testimony that 8 9 JEREMIAH HORAN you feel the need, looking back on it, to amplify 10 10 or clarify? 11 Sworn and subscribed to A. Yeah, there were a couple of questions 11 12 before me this day 12 regarding market substitution and harm to the 13 2008. of 13 market. In a couple of instances I gave an answer 14 14 of, if asked if there was any harm I said -- and I 1.5 15 guess just an answer -- no, but in those instances NOTARY PUBLIC 16 16 I should, should have said that, brought up the 17 17 loss of revenue from the "Family Guy" use that does 18 18 affect Bourne Company. 19 And then there was also a question about 19 20 20 the, whether or not I was aware of whether or not 21 21 the, a request from Fox had come in for the use, 22 22 and I said I was not aware whether or not it came 23 23 in or what was, whether it was denied or how it was 24 24 denied. 25 25 That should be clarified to state that