

EXHIBIT 2

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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

MARVEL WORLDWIDE, INC.,)
MARVEL CHARACTERS, INC.,)
and MVL RIGHTS, LLC,)

Plaintiffs,)

vs.) Case No. 10-141-CMKF

LISA R. KIRBY, BARBARA J.)
KIRBY, NEAL L. KIRBY and)
SUSAN N. KIRBY,)

Defendants.)

CONFIDENTIAL PURSUANT TO PROTECTIVE ORDER
VOLUME II
DEPOSITION OF STAN LEE
LOS ANGELES, CALIFORNIA
WEDNESDAY, DECEMBER 8, 2010

REPORTED BY:
Alejandria E. Kate
CSR NO. 11897, HI 448, RPR, CLR
JOB NO.: 35197

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DECEMBER 8, 2010

9:11 A.M.

Deposition of STAN LEE, held at the offices of VENABLE LLP, 2049 Century Park East, Suite 2100, Los Angeles, California, pursuant to agreement before Alejandria E. Kate, a Registered Professional Reporter and Certified Shorthand Reporter of the State of California.

1 A P P E A R A N C E S:

2
3 ATTORNEY FOR THE PLAINTIFFS:

4 WEIL, GOTSHAL & MANGES

5 BY: JAMES W. QUINN, ESQ.

RANDI W. SINGER, ESQ.

767 Fifth Avenue

6 New York, New York 10153

7 -AND-

8 HAYNES AND BOONE

9 BY: DAVID FLEISCHER, ESQ.

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10 New York, New York 10020

11
12 ATTORNEY FOR THE DEFENDANTS:

13 TOBEROFF & ASSOCIATES

14 BY: MARC TOBEROFF, ESQ.

NICHOLAS C. WILLIAMSON, ESQ.

JEFFREY R. RHOADS, ESQ. (Page 200)

15 2049 Century Park East

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16 Los Angeles, California 90067

17
18 FOR THE WITNESS:

19 GANFER & SHORE

20 BY: ARTHUR LIEBERMAN, ESQ.

(APPEARANCE VIA VIDEO CONFERENCE)

360 Lexington Avenue

21 14th Floor

New York, NY 10017

22
23 ALSO PRESENT:

24 ELI BARD, Marvel Entertainment

1 Martin was in a pretty gloomy mood that day, and he
2 said to me, 'You know, what they don't realize, they
3 don't realize the risk that I'm taking. Because if the
4 books don't sell, it costs. I lose a lot of money, and
5 I have no guarantee the books will sell. And we have
6 periods for months after month after month where I'm
7 losing money, where the books don't sell. But I don't
8 cut their rate. I don't fire them. I try to keep
9 going as much as possible.' And he gave me this whole
10 thing from the publisher's point of view."

11 This is you speaking.

12 Do you remember saying that at your
13 deposition?

14 A. Yes. Now, I do, yes.

15 Q. I'd like to read you an excerpt from the book
16 "Excelsior: The Amazing Life of Stan Lee," by Stan Lee
17 and George Mair. M-A-I-R.

18 A. Mair, I think.

19 Q. This book was published in 2002.

20 MR. TOBEROFF: And please mark it as
21 Exhibit 48.

22 (Whereupon, Defendants' Exhibit Number
23 LEE 48 was marked for identification.)

24 THE WITNESS: We're only up to 48? It feels
25 like we've done a thousand.

1 BY MR. TOBEROFF:

2 Q. Did you write this book, Mr. Lee?

3 A. I wrote the part that wasn't in italics.

4 Q. And the part in italics was written by
5 George Mair?

6 A. Yeah. George Mair wrote the italics part.

7 Q. Okay. So if you could turn to Page 80, I'd
8 just like to read from the last full paragraph on
9 Page 80.

10 A. Okay.

11 Q. I'll read.

12 "So when a slump would hit, I kept paying our
13 best people to continue doing strips that we really
14 didn't need at the time, knowing we'd eventually have
15 use for them. I simply stored the strips in a large
16 office closet after they were done. To me it was an
17 investment both in people and in inventory.

18 "When Martin one day learned of all the
19 material I had been accumulating for later use, he took
20 an extremely dim view of what I had done. In fact, a
21 dim view is putting it mildly. For starters, he told
22 me that he was running a business and not a charitable
23 institution. Then as he kept warming to the subject, a
24 light suddenly went on inside his head. Martin
25 realized that he had an expensive bullpen being paid

1 every week and a closet full of complete unpublished
2 strips.

3 "He instantly decided he didn't need both. I
4 suppose from a business point of view, it was a
5 rational decision. But I hated it. The bullpen was
6 immediately disbanded. Most of the salaried creative
7 people were let go, while I was ordered to use up all
8 the inventory material.

9 "Martin decided that we would only work with
10 artists and writers on a freelance basis from that day
11 forward, not assigning any strips unless they were
12 definitely scheduled to be used."

13 Do you recall writing that?

14 A. Oh, yes.

15 Q. Is that accurate?

16 A. Yes.

17 Q. And previously you mentioned that in some
18 publicity you would refer to the Marvel bullpen when
19 there wasn't a bullpen.

20 The time when there was not a bullpen refers
21 to the time shortly after all of these Marvel employees
22 were let go; is that right?

23 A. Say that again.

24 Q. Previously, you said that in publicity --

25 A. Yes.

1 Q. -- you issued, you would refer to the Marvel
2 bullpen.

3 A. Oh, yeah.

4 Q. And you said at that time there wasn't a
5 bullpen.

6 A. Right.

7 Q. Does that refer to the period when people were
8 working on freelance?

9 A. It referred to all the period. We never had a
10 big bullpen. The kind of bullpen people thought we
11 had.

12 Q. But before all these people were let go --

13 A. Right.

14 Q. -- that you refer to in the passage I just
15 quoted, you did have more employees; correct?

16 A. We had a lot of artists, freelance, that we
17 were keeping busy. And we had -- we had a production
18 person on staff. We had a colorist or so. We had a
19 few people, yeah.

20 Q. But I'm referring to the passage I just read.

21 A. To the what?

22 MR. QUINN: The passage.

23 BY MR. TOBEROFF:

24 Q. This particular passage that I just read.

25 A. Right.

1 Q. I'm not just speaking in general.

2 A. Right.

3 Q. In the passage I just read, you speak about
4 how, because you had stockpiled an inventory of
5 material, Mr. Goodman felt, Why do we have to keep
6 people on salary, and they were fired -- and I'm
7 paraphrasing -- and he said, From now on we're going to
8 work freelance; correct?

9 A. Well, we had very few artists on salary. I
10 think what it might have meant was he had given some
11 artists guarantees. They would get so much work to do
12 each month. Whether we could -- we always used it, but
13 whether we could use it or not.

14 And I think what he meant when he said to me
15 we're just going to go freelance, we would only buy
16 what we needed, and it wouldn't -- I would never have
17 an opportunity to build up an inventory of unused stuff
18 again.

19 Q. And -- but you did have certain artists and
20 writers who were on staff at Marvel before you
21 converted to a complete freelance model; correct?

22 A. Maybe John Romita was on staff, and
23 Marie Severin was on -- I think as a colorist then, or
24 maybe an artist. But that's about all as far as
25 artists go.

1 Q. And then they were let go --

2 A. Yes.

3 Q. -- after this edict?

4 A. Yeah. Well, they were no longer -- well, see,
5 again, I don't remember. Romita might have been kept
6 on as art director because we needed somebody to do
7 covers and to do whatever had to be done.

8 But we didn't any longer have guarantees to
9 anybody. And I wasn't just buying things that maybe
10 we'd use and maybe we didn't use.

11 He was just -- he just got very strict with me
12 because I -- I had built up that inventory, which there
13 were strips I liked and I thought we would use them,
14 not realizing the business would be bad and we couldn't
15 publish as many books as we wanted to.

16 Q. I'd like to go to another, Page 94, which is
17 part of this Exhibit 48.

18 A. Got it.

19 Q. You write, "Naturally, as a result of
20 Wertham's War, the market for comic books
21 disintegrated, with artists and writers being fired by
22 the baleful. I was amazed that Martin kept me on, but
23 then he had to have somebody to fire all those other
24 people for him.

25 "Again, it was indescribably difficult for me.

1 For a second time I was forced to lay off talented,
2 hardworking people who were more than just fellow
3 employees to me. I remember the dark day when Martin
4 told me, 'Stan, we have to let the whole staff go. I
5 want you to fire everybody.'

6 "I said, 'I can't do that.'

7 "He replied, 'You have to. I'm going to
8 Florida on vacation, and someone's got to do it.' And
9 that was that."

10 Do you remember writing that?

11 A. Yes.

12 Q. Is that accurate?

13 A. Yes.

14 MR. TOBEROFF: All right. I have no further
15 questions, but I reserve the right to ask questions
16 following your redirect, if you have any.

17 MR. LIEBERMAN: Let us take up a conversation
18 because there's something you wanted that I want to
19 talk to Jim about. So it's a good time for a break.
20 Let me talk to Jim, see if we can accommodate you
21 during the break, during a five-minute break.

22 MR. QUINN: Just let me talk to Arthur.

23 MR. LIEBERMAN: Off the record, Counsel?

24 THE WITNESS: Should I sit here?

25 MR. QUINN: You can.