

EXHIBIT 13

1 UNITED STATES DISTRICT COURT
2 SOUTHERN DISTRICT OF NEW YORK
3

4 - - - - - x

5 J.T. COLBY & COMPANY, INC.

6 d/b/a/ BRICK TOWER PRESS,

7 J. BOYLSTON & COMPANY,

8 PUBLISHERS, LLC and

9 IPICTUREBOOKS, LLC,

10 Plaintiffs

Case No.:

11 V.

11-CIV4060

12 APPLE, INC.,

13 Defendant

14 - - - - - x

15
16 Deposition of Richard S. Goldhor, Ph.D.
17

18 Tuesday, January 31, 2012

19 9:58 a.m.
20

21 Goodwin Procter, LLP

22 53 State Street

23 Boston, Massachusetts

24 Reported by: Deborah Roth, RPR/CSR

25 Job # 45894

1 Q. What was your involvement with the
2 consent agreement?

3 A. Well, the whole process took a fair
4 amount of time, so it varied as we went
5 through the process. I was the person that
6 the attorney representing Apple originally
7 contacted. There's sort of a whole complex
8 story behind it, but...

9 Q. Why did they contact you?

10 A. They said that they had -- well, I
11 should explain that the attorney called up and
12 simply said that he was a trademark attorney,
13 and that he had a client who thought that they
14 might be interested in the name ibook and had
15 noticed that we had the trademark and it
16 didn't appear that we were necessarily doing a
17 lot with it, and that they would be happy to
18 pay a bit of money if we wanted to get it off
19 of our hands, and I said thanks, but no
20 thanks. And there were a couple calls like
21 this that I got and, you know, the attorney
22 said well, our client is really interested
23 and, you know, it might be a good way to earn
24 or so.

25 So I checked with Brian and

1 confirmed that he wasn't interested, and
2 throughout all of this the attorney had not
3 mentioned who his client was, but seemed
4 surprised that the monetary offers that he had
5 made hadn't really swayed us at all.

6 So I finally went so far as to say
7 well, you have to understand that the real
8 owner of this trademark is a high net worth
9 individual and has plans for it and is really
10 not interested in giving away any of the
11 rights. And at that point he sort of said,
12 oh.

13 And it gradually came out, and all
14 these calls were to me. I think that I was
15 the contact name probably with the Patent and
16 Trademark Office, and just as he hadn't
17 mentioned his client's name, I hadn't
18 mentioned who the people behind Family Systems
19 were. He obviously found out or knew before
20 he called me that it was in Isle of Man
21 Company, so it was not possible to get much
22 information.

23 And at some point, I think before he
24 named his client, those of us at Family
25 Systems began to wonder whether this might be

1 Apple. So there was some speculation and it
2 finally -- and as I recall, I finally said to
3 him well, this conversation just is not going
4 to move forward at all, you know, until you
5 tell us who your client is.

6 And I also had been saying all
7 along, you know, he kept saying well, what do
8 you want, and I said well, mostly we want you
9 to go away and leave us alone. We're happy
10 with things the way they are.

11 So finally it came out that it was
12 Apple, and then the serious negotiations
13 began. Apple said that they had some product
14 plans and various monetary offers went back
15 and forth that sort of differed by three or
16 four orders of magnitude, depending upon which
17 direction they were going in.

18 Brian made all the decisions, as
19 Brian always did, and it finally turned out
20 that there was this agreement that was worked
21 out. As I recall, the way that it sort of was
22 done formally is that Apple and Family Systems
23 jointly sent a letter, affidavit or whatever
24 it is, to the Patent and Trademark Office
25 saying, you know, there is no problem here.

1 Apple is going to use it for one purpose and
2 we're going to use it for another purpose.

3 Q. Was there a payment involved from Apple
4 to Family Systems?

5 A. I was told that there was.

6 Q. Do you know the amount?

7 A. I was told it was

8 Q. Did the agreement with Apple change the
9 way Family Systems used the ibook mark?

10 A. Not in any significant way. I think
11 that part of agreement was that we would put a
12 link our websites and so on pointing people
13 saying, if you're interested in this kind of
14 an ibook, go here and that would be a link to
15 the Apple site.

16 It seems to me that there may have
17 been an agreement the other way around, but
18 I'm not sure about that. But other than that,
19 it really -- it was, in fact, Apple's use of
20 ibook was different from Family Systems in a
21 way that could be described, and so we
22 continued to do what we were doing and they
23 came out with their product.

24 Q. Is it your understanding that the
25 payment was for Family Systems to