

JUDGE KOELTL

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

11 CIV 4171

PRESS ASSOCIATION, INC.

Plaintiff,

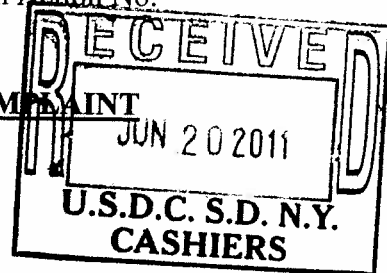
-against-

GRAB NETWORKS HOLDINGS, INC.

Defendant.

Civil Action No.

COMPLAINT



Plaintiff, PRESS ASSOCIATION, INC., by its attorneys, Jaffe & Asher LLP, as and for its complaint against defendant GRAB NETWORKS HOLDINGS, INC. hereby alleges as follows:

THE PARTIES

1. At all relevant times hereinafter mentioned, plaintiff Press Association, Inc. ("PA") is and was a corporation organized and existing under the laws of the State of New York, having its principal place of business at 450 West 33rd Street, New York, New York 10001. PA is a wholly-owned subsidiary of The Associated Press ("AP"), the oldest and one of the largest news agencies in the world, serving as a source of news, photos, graphics, audio and video for more than one billion people daily.

2. Upon information and belief, at all relevant times hereinafter mentioned, defendant Grab Networks Holdings, Inc. was and is a corporation organized in September 2008, and has existed since that time, under the laws of the State of Delaware with its principal place of business at 21000 Atlantic Boulevard, 6th Floor, Dulles, VA 20166. Upon information and belief, in or about September 2008 Grab Networks Holdings, Inc. acquired the assets and

liabilities, including those associated with the contract involved in this matter, of Voxant, Inc., a Delaware corporation with its principal place of business then at 1616 Anderson Road, Suite 321, McLean, VA 22102 (“Voxant”). Grab Networks Holdings, Inc. and Voxant are collectively referred to hereinafter as “Grab Networks.”

JURISDICTION AND VENUE

3. This Court has subject matter jurisdiction to hear jurisdiction to hear this action pursuant to 28 U.S.C. § 1332 because the matter in controversy exceeds the sum of \$75,000, exclusive of interest and costs, and is between citizens of different states.

4. This Court has personal jurisdiction over Grab Networks because Grab Networks continuously and systematically does business in the State of New York and because it and the company it acquired in 2008, Voxant, transacted business in New York in connection with the contract involved in this action. CPLR §§ 301 and 302(a).

5. Venue is appropriate in this judicial district pursuant to U.S.C. § 1391(a)(2) because a substantial part of the events and omissions giving rise to the claims occurred in this district.

NATURE OF THE ACTION

6. This is an action for breach of a written contract, account stated and an accounting in which PA seeks to recover monies due and owing to it as a result of licensing Grab Networks to use certain copyrighted news and information provided to it by PA. Grab Network used such news and information in its production of digital videos displayed on the Internet as video “streams.” Grab Networks was to pay PA monthly fees for its receipt of the information PA licensed to it, but Grab Networks failed to pay PA the full amount of such fees.

7. As alleged in detail below, Grab Networks owes PA the principal sum of at least \$2,796,600 for services rendered by PA during the period September 1, 2006 through and including August 31, 2009. As further alleged below, Grab Networks may also owe additional compensatory damages to PA for the same period as a result of video streams relating to that period that Grab Networks has not yet reported to PA.

FACTUAL BACKGROUND

The Agreement

8. AP is a global news agency that supplies news reports to thousands of daily newspaper, radio, television, and online customers with coverage in text, photographs, graphics, audio and video. Its subsidiary, PA, assists in such news-transmission efforts by, among other things, licensing commercial Web sites, wireless services, financial institutions, corporate and government intranets and desktops, and other interactive applications all over the world to use the AP-generated news and information services. Such services are often packaged into various categories of industry-targeted content which enable PA's licensees to obtain from PA and then provide directly to their audiences breaking news in various formats, thereby enhancing the commercial value of the licensees' endeavors.

9. PA and Grab Networks entered into a written news license agreement, dated as of September 1, 2006 (the "Agreement"), whereby, *inter alia*, PA (i) agreed to provide Grab Networks with certain news, photo, audio, video and other news and information services ("PA Material") and (ii) licensed Grab Networks to incorporate the PA Material into digital programming, including video programming, that Grab Networks would publish on the Internet by means of "streaming broadcasts." A copy of the Agreement is attached hereto as Exhibit A.

10. Initially, PA was to provide Grab Networks with four news/information services: (i) “AP Video Plus” (*i.e.*, packages of video segments (“clips”) featuring international, U.S. and human-interest stories), (ii) “Today in History” (clips featuring historic AP photos, video and audio covering highlights from the day in history), and (iii/iv) “AP Top 25 Football/Basketball Poll” (with clips focusing on the latest AP sports polls and the most important sports stories of the week).

11. In return for such PA Material and the right to use it, Grab Networks agreed to pay certain fees to PA (as detailed in Section 3 and Schedule B of the Agreement), including: (i) a fixed monthly fee amount, which increased from \$1000/month to in excess of \$13,000/month over the term of the Agreement (the “Fixed Monthly Fee”); and (ii) a variable fee amount, called a “royalty,” of \$0.0166 per stream of video in excess of 525,000 streams per month (the “Variable Monthly Fee”). The failure by Grab Networks to pay such amounts within 30 days of their due date permitted PA to charge interest on the unpaid amounts at the lesser of 1.5% per month or the maximum permitted by applicable law.

12. The initial term of the Agreement was for two years, commencing September 1, 2006 and ending August 31, 2008. The Agreement could also be renewed for one-year terms, and the Agreement was renewed once, finally terminating on August 31, 2009.

Amendments to the Agreement

13. The Agreement provides, in Section 10, that no “amendment or modification shall be binding unless it is reduced to writing and is signed by both of the parties.” PA and Grab Networks agreed to three amendments to the Agreement, all in 2007 and all related to Grab Networks’ desire to obtain and use PA Material in addition to the four services it initially obtained from PA. Such additional PA Material included additional sports clips (“AP Sports

Video”), entertainment clips (“AP Strange Video” and “AP Entertainment Extra”), business clips (“AP Business Video”), election-related clips (“Campaign Plus Video” and Campaign Plus Interactives”) and other materials.

14. The three amendments became effective, respectively, as of May 21, 2007, August 13, 2007 and September 1, 2007. Each amendment was reduced to writing and was signed by both parties to the Agreement. Each amendment also specified that, except as provided in the amendment, all the terms and conditions of the Agreement “shall remain in full force and effect.” The First and the Third Amendments also specifically mentioned the continuing force and effect of the Agreement’s provisions “pertaining to ... the Fee (including, without limitation, payment terms).”

15. Copies of the parties’ three amendments to the Agreement are attached hereto as Exhibits B, C and D, respectively. These three written amendments were the only amendments made to the Agreement.

Performance Under the Agreement

16. At all relevant times, PA fully and satisfactorily performed all of its obligations under the Agreement, as originally provided and then as amended. Throughout the three-year term of the Agreement, PA timely provided, and Grab Networks continued to utilize, the PA Material specified in the Agreement and its three written amendments.

17. From September 2006 through approximately June of 2009, Grab Networks made timely payment of the Fixed Monthly Fee amounts due and owing under the Agreement. However, Grab Networks failed to pay the \$13,327.90 Fixed Monthly Fee and \$139.14 of interest due in July 2009 and the \$13,327.90 Fixed Monthly Fee and \$5.86 of interest due in

August 2009. Copies of the invoices PA sent to Grab Networks for the July and August 2009 Fixed Monthly Fee amounts are attached hereto as Exhibits E and F, respectively.

18. Accordingly, as of August 31, 2009, the termination date of the Agreement, a total of \$26,800.80 relating to Fixed Monthly Fees remained due and owing and unpaid by Grab Networks to PA pursuant to the Agreement.

19. Despite due demand, Grab Networks has failed and refused to pay any portion of the aforesaid sum to PA.

20. In addition, Grab Networks has failed and refused to pay any of the Variable Monthly Fees that were required to be paid to PA by the Agreement.

21. Throughout the term of the Agreement, Grab Networks was to “self-report” to PA the number of Grab Networks’ video streams that used PA Material, inasmuch as there was no independent method for PA to determine this information. To help ensure compliance with its reporting obligations, Section 3.1 of the Agreement requires Grab Networks to maintain books and records relating to the Fees due under the Agreement, and the same Section gives PA the right to audit such books and records.

22. Grab Networks’ self-reporting of its streaming information was, however, very deficient throughout the term of the Agreement. For example: (i) despite continuing requests and demands by PA, Grab Networks made no reports on streaming information to PA for approximately the first two years of the Agreement; (ii) even when Grab Networks did make such reports to PA, the reports failed to provide streaming information on all the PA Material supplied to Grab Networks by PA; and (iii) Grab Networks failed to issue any reports at all for its streaming activity using the PA Material for the period March 2009 through August 2009.

23. Nevertheless, based on the information Grab Networks did provide to PA at the end of 2008 and the beginning of 2009, and based on PA's estimates for the period March 2009 through August 2009, the following reflects the approximate Variable Monthly Fee amounts currently due PA by Grab Networks:

\$1,790,000	for October 2006 through November 2008,
480,000	for December 2008 through February 2009, and
<u>500,000</u>	for March 2009 through August 2009
\$2,770,000	

24. Accordingly, as of August 31, 2009, the termination date of the Agreement, a total of at least \$2,770,000 of Variable Monthly Fees remained due and owing and unpaid by Grab Networks to PA pursuant to the Agreement.

25. Despite due demand, Grab Networks has failed and refused to pay any portion of the aforesaid sum to PA.

AS AND FOR A FIRST CAUSE OF ACTION
(Breach of Contract)

26. PA repeats and realleges each and every allegation contained in paragraphs 1 through 25 of this complaint with the same force and effect as if set forth fully at length herein.

27. The failure of Grab Networks to pay PA the amount of at least \$2,796,800 due and owing under the Agreement for Fees, despite due demand as alleged above, constitutes a material breach of the Agreement by Grab Networks.

28. PA has sustained damages as a direct and proximate result of the aforesaid material breach.

29. By reason of the foregoing, PA is entitled to judgment against Grab Networks for breach of contract in the amount of at least \$2,796,800, plus prejudgment interest, together with the costs and disbursements of this action.

AS AND FOR A SECOND CAUSE OF ACTION
(Account Stated)

30. PA repeats and realleges each and every allegation contained in paragraphs 1 through 29 of this complaint with the same force and effect as if set forth fully at length herein.

31. PA duly issued and sent to Grab Networks account statements for the Fixed Monthly Fee amounts for July and August 2009, which set forth in detail the charges relating to said Fees for those months charged to Grab Networks under the Agreement and the total amount due and owing by Grab Networks to PA.

32. Grab Networks received the account statements from PA without protest and did not object to them nor indicate that they were erroneous in any respect. Grab Networks thereby acknowledged that the debt owed to PA for the Fixed Monthly Fee, as set forth in the account statements, is true and correct.

33. The account statements reflect a balance due, owing and unpaid of \$26,800.80.

34. By reason of the foregoing, PA is entitled to judgment against Grab Networks for an account stated in the amount of \$26,800.80, plus prejudgment interest, together with the costs and disbursements of this action.

AS AND FOR A THIRD CAUSE OF ACTION
(Accounting)

35. PA repeats and realleges each and every allegation contained in paragraphs 1 through 34 of this complaint with the same force and effect as if set forth fully at length herein.

36. By virtue of Grab Networks' contractual duties to PA, Grab Networks is obligated to render a full and complete accounting of all of Grab Networks' video streams that used PA Material, and upon such an accounting, to calculate and pay over to PA all amounts due PA under the Agreement.

WHEREFORE, the plaintiff demands judgment against the defendant as follows:

A. On the first cause of action, for compensatory damages in the amount of \$2,796,800, plus prejudgment interest, together with the costs and disbursements of this action.

B. On the second cause of action, for compensatory damages in the amount of \$26,800.80, plus prejudgment interest, together with the costs and disbursements of this action.

C. On the third cause of action, for a full and complete accounting as prayed for, and

D. For such other and further relief as the Court deems just and equitable.

Dated: New York, New York
June 16, 2011

JAFFE & ASHER, LLP

By: 

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Attorneys for Plaintiff,
Press Association, Inc.

EXHIBIT A

**Current News License Agreement
Between
Press Association, Inc.
And
Voxant**

(place barcode sticker here)

THIS AGREEMENT (the "Agreement") made as of this 1st day of September, 2006, between **Press Association, Inc.** ("PA"), a wholly owned subsidiary of **The Associated Press**, a not-for-profit corporation, with offices at 450 West 33rd Street, New York, New York 10001 ("AP") and Voxant, a Delaware corporation with offices at 1616 Anderson Road, Suite 321, McLean, VA 22102 (the "Subscriber"), producers of news content delivered via the Licensed Platform(s) (as defined below).

WHEREAS, PA is a wholly owned subsidiary of AP, a not-for-profit news cooperative in the business of providing and receiving certain news, photo, audio, video and other news and information services, and has the right to distribute in whole or in part, the news and information gathered by AP and its members;

WHEREAS, Subscriber is interested in receiving the Service(s) as described below, and incorporating the news, information and intelligence derived from the Service(s) into its programming delivered via the Licensed Platform(s); and in sharing its news and information with PA for use in the news services of AP and its subsidiaries; and

WHEREAS, PA desires to grant, and Subscriber desires to obtain, a license to use the Service(s) subject to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth in this Agreement, the parties hereby agree as follows:

Section 1. Grant of License.

- 1.1. PA hereby grants to Subscriber a non-exclusive, non-transferable, limited license to distribute the Subscriber Service(s) (as defined in Section 1.2 below) to the Subscriber Client(s) (as defined below) and to sublicense the Subscriber Clients to distribute, publicly perform and publicly display the Service(s) and incorporate the PA Material in programming distributed via the Licensed Platform(s) only and in the language only (the "Distribution Language"), in accordance with the terms and conditions set forth herein. The Licensed Platform(s) shall mean the platform(s) described in the attached Schedule B. The Subscriber Client(s) shall mean those entities to be selected by PA as set forth on Schedule C. All references to the Agreement shall be deemed to include both this document and the attached Schedules. To the extent that the terms of the Schedule(s) conflict with the terms of this document, the relevant Schedule shall apply. Subscriber's license may not be altered other than by a written agreement signed by both parties.
- 1.2. The Subscriber Service(s) shall mean the content developed by Subscriber that includes the copyrightable expression from the Service(s) and/or the facts, news, information and intelligence derived from the Service(s) (the "PA Material") as is prepared by Subscriber for distribution through the Licensed Platform(s) associated with each Subscriber Client. In order to allow Subscriber to prepare the Service(s) or any part of the Service(s) for public performance and/or public display or to utilize the PA Material on the Licensed Platform(s), PA grants Subscriber a non-exclusive, limited license to reproduce the Service(s), and prepare limited derivative works of the Service(s) only to the extent necessary for Subscriber to effectively distribute, publicly perform and publicly display the Service(s) and the PA Material within each Licensed Platform (i.e., altering the formatting of content only) under Subscriber's license set forth in Section 1.1 above. Derivative works of the Service(s), or the Subscriber Service(s), or other materials that contain or are derived from the PA Material, shall be considered part of the Service(s) for the purposes of this Agreement, and shall be governed by the terms and conditions of this

Agreement. If the Distribution Language is different than the language in which the Subscriber receives the Service(s), PA hereby grants a limited right to translate the Service(s) into the Distribution Language.

- 1.3. PA shall retain all right, title and interest in and to the Service(s), the PA Material, and, if such right is granted above, any translation of the Service(s), including, without limitation, to the copyrights, trademarks or other intellectual property rights contained therein. Subscriber shall include the appropriate copyright notice(s) listed in Schedule A.
- 1.4. The Service(s) shall mean the following services delivered by PA: AP Video Plus, Today in History, AP top 25 College Football Poll and AP top 25 College Basketball Poll. PA will determine, in its sole discretion, the content of the Service(s). The license granted herein shall also include the right to create transcripts of the video content and to generate Metadata coding for the sole and exclusive purpose of assisting in the key-word and topical search and retrieval of the video contained in the Service by Users
- 1.5. Subscriber's license shall include a license to allow "Users" (any person or entity with access to the Subscriber Service(s) in the Licensed Platform(s) for personal use only) to reproduce a single copy of individual items contained in the Service(s) for their personal use only and not for resale or redistribution in any manner. Subscriber shall not allow its Users to reproduce a substantial portion of the Service(s) available on Licensed Platform(s).

Section 2. Restrictions on Use of Service(s). The following restrictions shall apply to Subscriber's licensed use of the Service(s) and the PA Material, and Subscriber shall impose similar restrictions on the licensed use of the Subscriber Service(s) by the Subscriber Client(s):

- 2.1. **Integrity of Service.** Subscriber agrees it shall not use the Service(s), portions thereof, or the PA Material in any manner that impugns the integrity of PA, AP, the Service(s) or the PA Material; or in any manner or for any purpose or platform not expressly set forth in this Agreement unless the parties enter into an express written agreement to expand the scope of the license.
- 2.2. **Streaming Broadcasts.** Subscriber may publicly perform and distribute Streaming Broadcasts that incorporate the Service(s) or the PA Material. For the purposes of this Agreement, a Streaming Broadcast shall mean an audio or video signal that is sent to Users by Subscriber on demand through a streaming technology including, but not limited to RealAudio, RealVideo, Microsoft Media Player or Liquid Audio or any technology performing similar functions existing now, or developed in the future. A Streaming Broadcast file shall not be a discreet file available to be transferred in its entirety to Users for playback at a later date.
- 2.3. **Limited Rights.** Subscriber acknowledges this Agreement and the license granted herein is a limited license for distribution solely via the Licensed Platform(s) and does not authorize distribution, public performance or public display of the Service(s), portions thereof, or the use of the PA Material, over any distribution platform or technology not expressly set forth herein, including, without limitation; over the air broadcast, cable, satellite, or other wireless or wired technology, unless agreed to in writing by the parties.
- 2.4. **No Framing.** Subscriber shall not permit any portion of the Licensed Platform(s) containing the Service(s) to be "framed" (i.e., allow a page from a different domain to call a page from the Licensed Platform(s) and display Subscriber's page within the calling page). PA may provide Subscriber with computer instructions that will prevent such framing, which Subscriber shall use.
- 2.5. **Copyright Protection Mechanisms.** Subscriber agrees to not interfere with any copyright protection mechanism or copyright management information system, including any watermark, employed by PA. Subscriber shall not interfere with or impair the function of any digital identification device(s) provided by PA with the Service(s).

- 2.6. Music. PA represents and warrants that the public performance rights in any musical works or sound recordings, including without limitation, any jingles, contained in any materials provided by the Service(s) are controlled by the performing rights organizations (ASCAP, BMI, SESAC) or other entity having jurisdiction over, or rights in, the musical work and/or sound recording, or that the public performance rights are in the public domain. However, PA does not represent or warrant that Subscriber may exercise public performance rights in the music and/or sound recordings without the payment of a performing rights royalty or license fee for such musical works and/or sound recordings, and if Subscriber is required to pay a performing rights royalty or license fee, Subscriber shall be responsible for the payment thereof and shall hold PA free and harmless therefrom.
- 2.7. Images. If Subscriber receives photos, graphics, video, interactive graphics or other still or moving images in the Service(s) (collectively, the "Images"), Subscriber may use such Images for editorial news use only. PA conveys no trademark rights or rights of personality or publicity in the Images. Subscriber shall not associate the Images with any product or service, or associate the Images with any content that would bring the subject of the Image into disrepute.
- 2.8. Conformity with Community Standards. Subscriber shall determine and ensure the conformity with applicable defamation, libel, privacy and other community standards prevailing in the relevant jurisdiction of any materials on any part of the Service(s) Subscriber elects to disseminate or otherwise use in such jurisdiction. Failure by Subscriber to comply with this Section 2.8 shall not be considered a breach of this Agreement; however Subscriber shall indemnify PA under Section 13 below for any liability due to its failure.
- 2.9. No Redistribution. Subscriber agrees that it shall not redistribute, retransmit, share or provide the Service(s), portions thereof or the PA Material, to any party not licensed to use the Service(s) by this Agreement, including without limitation any sublicensee or affiliate of Subscriber or the Licensed Platform(s), any suppliers, database vendors, common carriers, newspapers, broadcasters, other Internet or online services, and/or audiotex service providers. Subscriber shall not use the Service(s), portions thereof or the PA Material, beyond the scope of the license granted to any party in this Agreement.
- 2.10. News Organizations. Subscriber is prohibited from distributing the Service(s), the PA Material or its own content derived from the Service(s) or PA Material to News Organizations, or Homesteading Sites. The restrictions of this Section 2.6 are not intended to prohibit distribution of the Service(s) through the Licensed Platform(s) to an individual employee of a News Organization or Homesteading Site who may access the Licensed Platform(s) as a User for personal use unrelated to their employment. For the purposes of this Agreement: a "News Organization" shall mean any Person principally engaged in the gathering and/or distribution of news and information, including, for example, but without limitation, United Press International, Reuters, CNN, The New York Times, Yahoo.com or WNBC; and a "Homesteading Site" shall mean an online service or site that provides individual users with tools to create his or her own web site, and hosts and organizes such websites.
- 2.11. Co-branding. Subscriber is prohibited from sublicensing the Service(s), the PA Material or (if this Agreement allows Subscriber to include the Service(s) or PA Material in its own content) any Subscriber content derived from or based on the Service(s) or PA Material to, or co-branding portions of the Licensed Platform(s) where the Service(s) or the PA Material resides with, any other Person.
- 2.12. Alteration of the Service(s). PA will determine, in its sole discretion, the content of the Service(s). If such right is granted in Section 1.2 above, Subscriber may translate the Service(s) for distribution over the Licensed Platform(s), pursuant to Section 1 and 2.1 above, provided no such alteration is in any manner prejudicial to the integrity or good will of the Service(s) or PA or alters the meaning of the Service(s).

2.13. Kills, Corrections and Restrictions on Release. Subscriber will promptly process all kills, corrections and substitutions contained in the Service or of which Subscriber is otherwise notified by PA. Subscriber shall make any such new information available to its Users in the same manner by which the killed, corrected or substituted information was made available to Users. Subscriber shall abide by all advance, hold for release, or embargo notices on any content in the Service. Subscriber shall adhere to all restrictions on any content in the PA Service, including all geographic restrictions. Subscriber is specifically prohibited from using any content or information from the Service(s) labeled or otherwise identified as "advisory", "on-line out" or "not for publication."

2.14. Archiving. Subscriber shall not make available to the public any portion of the Service(s) or the PA Material for more than 14 days from the date of receipt of the Service(s). Subscriber may not archive the Service(s), but may retain a private archive of the content that it has distributed containing the Service(s) solely for liability purposes. Subscriber shall only make the Service(s) available to the public in a manner consistent with the grant of the license and restrictions set forth herein.

Section 3. Fees.

3.1. Fees for Licensed Platform(s). In consideration for the distribution granted in the attached Schedule B to this Agreement, Subscriber shall provide to PA the fee, which is described for each Licensed Platform in the Schedule related to that Licensed Platform. Subscriber shall pay the aggregate of the fee(s) described in the attached Schedule B and collectively these fees shall be referred to in this Agreement as the "Fee". Subscriber shall maintain the appropriate books and records to substantiate its payment of the Fee and PA may, upon reasonable notice audit or otherwise review such books.

3.2. Annual Increase. On each anniversary of the date of this Agreement, the Fee shall be increased by the increase in the Consumer Price Index for All Urban Consumers, New York – Northern New Jersey area (all items, not seasonally adjusted, as published by the Bureau of Labor Statistics) over the intervening 12 month period. Notice of any such increases shall be given to Subscriber by PA within 45 days of such increases taking effect. Any failure of PA to so notify shall not, in any way, be considered a waiver of such increase in the Fee.

3.3. Taxes. All payments of the Fee shall be exclusive of taxes required to be charged to Subscriber. Subscriber shall be responsible for the payment of all taxes incidental to the payment of the Fee other than taxes that are based upon PA's net income

3.4. Payment of Overdue Fees and Interest. If Subscriber fails to pay the Fees required under this Agreement within 30 days after the date such Fees become due, PA shall have the right to charge interest from the date the Fees become due at the lesser of (i) 1.5% per month or (ii) the maximum rate permitted by applicable law.

Section 4. Term. This Agreement shall commence on September 1, 2006 (the "Start Date") and shall continue for a term of 2 years. Unless terminated by either party as further described below, this Agreement shall automatically renew for subsequent terms of one year. If PA for any reason suspends the delivery of the Service(s) to Subscriber during any term, the period of suspension shall be added to such term.

4.1. Either party may terminate this Agreement, effective at the end of the first or any subsequent term, by written notice submitted to the other **by certified mail, return receipt requested**, not less than 180 days prior to the end of such term. Upon 90 days' written notice to Subscriber, PA may terminate this Agreement if PA determines that it will (i) not offer a service substantially similar to the Service(s) or (ii) cease providing information services to any Similarly Situated Person. Furthermore, upon 45 days' written notice to Subscriber, PA may terminate this Agreement with respect to any components of the Service(s) if PA determines that it will not offer

those components to any Similarly Situated Person. For the purposes of this Agreement, a Similarly Situated Person shall mean any Person that delivers services similar to the Licensed Platform(s)Subscriber's Service(s) through a similar method, technology or manner as Subscriber, or provides services similar to Subscriber's to a similar marketplace as Subscriber. Similarly Situated Person shall not include an AP Member or PA newspaper or broadcast subscriber.

4.2. Either party may terminate this Agreement effective upon written notice stating its intention to terminate in the event of any of the following: (a) the other party ceases to function as a going concern or to conduct operations in the normal course of business, (b) the other party files a petition under any state or federal bankruptcy or insolvency law or for the appointment of a receiver, (c) the other party has a petition filed against it under any state or federal bankruptcy or insolvency law which petition has not been dismissed or set aside within 30 days of its filing, (d) the other party ceases to pay its debts as they fall due or becomes insolvent or makes a general assignment for the benefit of its creditors, or (e) if the business or property of the other party shall come into the possession of its creditors or of any governmental agency or of a receiver.

4.3. Upon any termination of this Agreement, Subscriber will immediately cease all use of any information from the Service, and shall remove, or cause to be removed, all such information from Subscriber'S Interactive Service(s) and from any permitted databases or archives where such information may be stored, filed or otherwise maintained.

Section 5. Material Breach. If Subscriber fails to pay to PA the Fee as required under this Agreement, or otherwise materially breaches the Agreement, PA may, at its option, (i) suspend the Service(s) until such breach is cured or (ii) terminate this Agreement. Upon termination of this Agreement, Subscriber shall be liable to PA for the total Fees which otherwise would become due to PA under this Agreement, including any increases permitted hereunder, accruing after Subscriber's breach, during the balance of the term hereof, less the direct expenses which PA would incur in physically supplying the Service(s) to the Subscriber. The remedies granted to PA in this Agreement are not exclusive and PA reserves the right to exercise any or all of the remedies granted, or any other remedies that may be available, alone or in conjunction with one another. Subscriber will pay all reasonable attorneys' fees, disbursements and court costs on behalf of PA in the event of litigation resulting from Subscriber's breach of this Agreement.

Section 6. Delivery and Reception of the Service(s).

6.1. PA shall, in consultation with Subscriber, determine the best means for delivery and reception of the Service(s) and PA shall use commercially reasonable efforts to delivery the Service(s) via that means. PA may offer delivery of some or all of the Service(s) through one or more particular delivery methods, including, but not limited to, Internet, satellite, telephone, telephone landline circuits, or dial-up modem, and Subscriber may be required to purchase and maintain particular equipment, software and/or services ("Subscriber Systems") to receive some or all of the Service(s) through the selected delivery method(s). Subscriber shall ensure that such Subscriber Systems are compatible with PA technical requirements, which PA shall communicate to Subscriber from time to time. PA shall advise Subscriber from time to time of any change in the technical requirements for reception of the Service(s).

6.2. If Subscriber receives some or all of the Service(s) via the Internet, Subscriber shall provide, install and maintain at its own cost a personal computer and/or computer network as reception equipment for that portion of the Service(s), as applicable, along with an appropriate connection to the Internet and compatible third-party Internet browser software. PA may provide Subscriber with username(s) and password(s) for access to the Service(s) via the Internet. Subscriber shall not share or otherwise divulge its username(s) and/or password(s) for the Service(s) to any third party, including, without limitation, any affiliates of Subscriber or commonly-owned stations or to any employee or staff of Subscriber who does not need to know the Subscriber password(s) and username(s) supplied hereunder for purposes of exercising the limited license granted hereunder.

Subscriber is responsible for all access to the Service(s) under its username(s) and password(s). Subscriber shall cause its staff to abide by all terms and conditions of this Agreement.

Section 7. Limitation on Liability. PA shall not be liable to Subscriber or to any sponsor or advertiser using the facilities of Licensed Platform(s) for any loss, damage or claims resulting either (i) from use of the Service(s) or (ii) from interruptions of the Service(s) caused by the mechanical or electronic breakdowns, failures in transmission, or other cause. Further, the Fees due to PA hereunder shall not be affected by such interruptions. PA does not guarantee the sequence, accuracy or completeness of any information in the Service(s) and shall not be held liable in any way to Subscriber, its users, any known or unknown third parties or to any other person who may use such information or to whom such information may be furnished, or to any other person whatsoever, for any delays, inaccuracies, errors or omissions therefrom or in the transmission or delivery of all or any part thereof or for any damage arising therefrom or occasioned thereby. IN ADDITION, NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY INDIRECT, CONSEQUENTIAL, SPECIAL, EXEMPLARY OR INCIDENTAL DAMAGES, WHETHER IN CONTRACT OR TORT OR OTHERWISE, ARISING FROM, OR RELATING TO, THIS AGREEMENT.

Section 8. Government Regulations. This Agreement shall be subject to all present and future regulations of any other governmental regulatory body having jurisdiction over the subject matter of this Agreement. Neither party shall be liable to the other for any failure to perform its obligations hereunder, if such failure to perform results directly from such regulations. However, nothing contained herein will relieve Subscriber from the obligation to deliver to PA the Fees already due and owing under this Agreement prior to the date on which such regulations are implemented.

Section 9. Assignment; Purchases. The rights and obligations of Subscriber under this Agreement may not be assigned without the express prior written consent of PA. Any attempted assignment by Subscriber without the express prior written consent of PA shall be void and have no effect on the rights or obligations of either party. The rights and obligations of PA under this Agreement may not be assigned to any non-affiliate of PA without the express prior written consent of Subscriber. Any attempted assignment by PA to any such non-affiliate of PA without the express prior written consent of Subscriber shall be void and have no effect on the rights or obligations of either party. PA may assign any or all of its rights or obligations under this Agreement to any affiliate of PA without obtaining any consent from Subscriber, but shall notify Subscriber within 30 days of such assignment. Any effective assignment of a party's rights or obligations hereunder shall be binding upon that party's successors and/or assigns.

Section 10. Entire Agreement; Amendments. This Agreement together with Schedule A and any written supplemental agreements constitute the entire Agreement of the parties relating to the subject matter hereof. This Agreement supersedes as of its effective date, any preceding oral or written agreement between the parties pertaining to the Service(s) provided hereunder. No amendment or modification shall be binding unless it is reduced to writing and is signed by both of the parties.

Section 11. Representations and Warranties.

11.1. Subscriber makes the following representations and warranties to PA:

11.1.1. Subscriber shall only license Subscriber Client(s) through a signed writing, and such writing shall include language that reflects the restrictions imposed on Subscriber by PA in this Agreement, including, but not limited to, all restrictions contained in Section 2 above. Subscriber further represents and warrants that it shall make PA a third-party beneficiary to any agreement it signs after the date hereof with a Subscriber Client, and shall use commercially reasonable efforts to amend any existing agreements with entities that will receive the Subscriber Service(s) to include PA as a third-party beneficiary.

11.1.2. Subscriber has full power and authority to enter into the Agreement, to execute and deliver the Agreement and to carry out the terms of the Agreement for itself and on behalf of

any Licensed Platform(s) listed in Attachment A and/or any addendum thereto, and any licensee of such Licensed Platform(s);

11.1.3. The Agreement has been duly authorized by proper action on Subscriber's part, and has been duly executed and delivered by an authorized officer or agent of Subscriber;

11.1.4. The Agreement constitutes the legal, valid and binding obligation of Subscriber, enforceable in accordance with its terms, subject to applicable bankruptcy, reorganization, fraudulent conveyance, moratorium, insolvency or similar laws now or hereafter in effect affecting the enforcement of creditors' rights generally;

11.1.5. If Subscriber receives some or all of the Service(s) via the Internet, the Subscriber Systems meet or exceed the minimum technical requirements as communicated to Subscriber by PA from time to time;

11.1.6. Subscriber shall inform all employees of Subscriber and the Licensed Platform(s) who have access to the Service(s) of the permitted uses and restrictions on use of the Service(s) and the PA Material, and all employees of Subscriber and the Licensed Platform(s) shall abide by all of the terms and restrictions set forth herein this Agreement; and

11.1.7. If any PA employee or subcontractor performs services at any location owned, leased, operated or occupied by Subscriber, Subscriber and/or the location shall comply with and shall continue to comply with, during the period of time in which any PA employee or subcontractor performs services at such location, all occupational safety, health and work laws, regulations, directives, and rules required by federal, state and local authorities and with all reasonable requests from PA in connection with same.

11.2. PA makes the following representations and warranties to Subscriber:

11.2.1. PA has full power and authority to enter into the Agreement, to execute and deliver the Agreement and to carry out the terms of the Agreement;

11.2.2. The Agreement has been duly authorized by proper action on PA's part, and has been duly executed and delivered by an authorized officer or agent of PA; and

11.2.3. The Agreement constitutes the legal, valid and binding obligation of PA, enforceable in accordance with its terms, subject to applicable bankruptcy, reorganization, fraudulent conveyance, moratorium, insolvency or similar laws now or hereafter in effect affecting the enforcement of creditors' rights generally.

Section 12. Force Majeure. PA shall not be liable to Subscriber for any delay or failure in performance caused by acts beyond PA's reasonable control, including without limitation, acts of God, war, riot, acts of public enemy, vandalism, sabotage, accidents, fires, floods, severe weather conditions, civil commotions, insurrection, strikes, labor disputes, mechanical breakdowns, shortages or delays in obtaining suitable parts or equipment, material, labor or transportation, acts of subcontractors, interruption of utility services, acts of any unit of government or government agency, or any similar or dissimilar cause.

Section 13. Indemnification. Subscriber hereby agrees to indemnify and hold harmless, PA, its directors, employees and agents from any and all claims arising in whole or in part from Subscriber's use of the Service(s) or the PA Material or any part thereof, contrary to the terms of this Agreement or any addendum thereto, or to applicable laws or regulations or to instructions given by PA, or in any manner that either distorts or misrepresents any portion of the Service(s) and/or the PA Material.

Section 14. DISCLAIMER OF REPRESENTATIONS AND WARRANTIES. PA HEREBY DISCLAIMS ANY AND ALL EXPRESS OR IMPLIED REPRESENTATIONS AND WARRANTIES, INCLUDING

WITHOUT LIMITATION WARRANTIES OF MERCHANTABILITY, NON-INFRINGEMENT OR FITNESS FOR A PARTICULAR PURPOSE, RELATING TO THE SERVICE(S), AND ANY SOFTWARE OR EQUIPMENT PROVIDED HEREUNDER NOT SET FORTH IN THE AGREEMENT OR MADE TO SUBSCRIBER BY ANY THIRD PARTIES INCLUDING, WITHOUT LIMITATION, PA EMPLOYEES OR AGENTS.

Section 15. No Waiver. The failure of either party at any time to require performance by the other party of any provision of this Agreement shall in no way affect the right of either party thereafter to enforce the same provision, nor shall the waiver of either party of any breach of any provision herein be held or taken to be a waiver of any succeeding breach or as a waiver of the provision itself.

Section 16. Severability. If any provision in this Agreement is declared to be invalid or unenforceable in any respect, the parties agree that such invalidity or unenforceability shall not affect the validity of the remaining provisions of this Agreement, and further agree to substitute for the invalid provision a valid provision which approximates the intent and economic effect of the invalid provision as closely as possible.

Section 17. Notice. Any notice to be given hereunder shall be deemed given when sent by registered mail, return receipt requested, to the addresses of the parties set forth at the beginning of this Agreement.

Section 18. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of Washington, D.C., without regard to the conflict of laws principles thereof.


Section 19. Counterparts. This Agreement may be executed in one or more counterparts.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

Voxant

Press Association

By: 
Name: Jeff Chrysler
Title: CEO

By: 
Name: Jane Seagrave
Title: VP-New Media

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Schedule A

COPYRIGHT STATEMENT, NOTICE AND CREDIT

1. Subscriber will prominently display the following notice to all Users who access the Service(s) in the Licensed Platform(s):

Associated Press text, photo, graphic, audio and/or video material shall not be published, broadcast, rewritten for broadcast or publication or redistributed directly or indirectly in any medium. Neither these AP materials nor any portion thereof may be stored in a computer except for personal and non-commercial use. Users may not download or reproduce a substantial portion of the AP material found on this web site. AP will not be held liable for any delays, inaccuracies, errors or omissions therefrom or in the transmission or delivery of all or any part thereof or for any damages arising from any of the foregoing.

2. Except where impractical, Subscriber will display the following copyright notice updated each year on each item of the Service(s) used verbatim or substantially verbatim in the Licensed Platform(s):

Copyright 2006 Associated Press. All rights reserved. This material may not be published, broadcast, rewritten, or redistributed.

3. Subscriber will display the following copyright notice updated each year on each item prepared by or for Subscriber and displayed in the Licensed Platform(s) that was derived from or based upon the Service(s).

Copyright 2006 [Subscriber Name]. All rights reserved. This material may not be published, broadcast, rewritten, or redistributed. AP contributed to this report.

4. Subscriber also will display the following credit or attribution for each item or portions of the Service(s) used in the Licensed Platform(s):

For text:	"(AP)", or "By The Associated Press", and the writer's byline.
For photos:	Visual representation of the "AP" logo on the photo, or immediately below, the words "Associated Press" and the photographer's byline.
For graphics:	Visual representation of the "AP" logo on graphic, or immediately below, the words "Associated Press"
For audio:	On-screen visual representation of "AP Audio"
For video:	Visual representation of the "AP" logo on each frame of AP video, or immediately below, the words "Associated Press"

Schedule B

Web Site Licensed Platform

This schedule (the "Schedule") describes how Subscriber may use the Service(s) licensed in the Agreement, and, to the extent explicitly licensed below, supersedes any restrictions placed on the Service(s) by the Agreement.

Section 1. Licensed Platform. For the purposes of this Schedule, the Licensed Platform shall be Subscriber's rich media player service which shall be syndicated exclusively on a monetized basis to web sites. The Licensed Platform shall include real time tools that will provide PA with a profile of each web site seeking to display the Service(s) and enable PA to approve which individual web sites display the Service(s) As Subscriber Clients. The Licensed Platform shall also include Subscriber's TheNewsRoom service that enables viral syndication to Subscriber Clients. This Schedule licenses no other platforms.

Section 2. Fees. In exchange for the license granted by PA to Subscriber in the Agreement and for the distribution authorized by this Schedule, Subscriber agrees to pay to PA the following fee, which, together with any other fees in any other Schedules shall constitute the Fee described in the Agreement:

- 2.1. Subscriber shall pay PA in advance, as billed by PA, a monthly base fee equal to \$1,000 each month during the first four months of the Agreement, a fee of \$2,500 each month during the next four months of the Agreement, a fee of \$5,000 each month during the next four months of the Agreement and a fee of \$8,500 for each month of the term of the Agreement thereafter.

In addition, Subscriber shall pay PA a Royalty of \$0.0166 per stream of video from the Services displayed via the Licensed Platform in excess of 525,000 streams.

Schedule C

Subscriber Client(s)

Subscriber Client(s).

Subscriber's Clients shall mean any Web site approved in advance by PA by using the tools provided in the Licensed Platform.

Unless specifically authorized in writing by PA in advance, Subscriber's Clients shall not include the following:

1. Any web sites operated by Newspapers.
2. Any web sites operated by Television or Radio broadcasters.
3. Any news and photo agency, including but not limited to:

Agence France-Presse (AFP)

Bloomberg

Corbis

DP

Getty

Press Association (UK)

Reuters

United Press International

Wire Image

4. Any content reseller, aggregator, redistributor and co-branding, including but not limited to:

Aquire Media

Comtex

Factiva

InfoDesk

LexisNexis

Marketwatch

Newstex

Yellowbrix

EXHIBIT B

FIRST AMENDMENT TO CURRENT NEWS LICENSE AGREEMENT

VOXANT ("Subscriber") and PRESS ASSOCIATION, INC. ("PA") are parties to that certain Current News License Agreement (the "Agreement"), dated as of September 1, 2006.

Subscriber and PA desire to amend the Agreement, effective as of May 21, 2007 (the "Amendment Date"), as set forth in this First Amendment (this "Amendment") to the Agreement.

In consideration of the foregoing, Subscriber and PA hereby agree to amend, effective as of the Amendment Date, the Agreement as follows:

1. Service(s). The "Service(s)" (as defined in the Agreement) shall be amended to be: Section 1.4. Additional services: AP Sports Video, AP Strange Video, AP Entertainment Extra, AP Business Video, AP Tech Video, and asap Video.
2. Archiving. Section 2.14. Subscriber shall not make available to the public any portion of the Service(s) or the PA Material for more than 180 days from the date of receipt of the Service(s). Subscriber may not archive the Service(s), but may retain a private archive of the content that it has distributed containing the Service(s) solely for liability purposes. Subscriber shall only make the Service(s) available to the public in a manner consistent with the grant of the license and restrictions set forth herein.
3. Fee. The "Fee" (as defined in the Agreement) shall be amended to be:

Schedule B, Section 2. Additionally, Subscriber shall pay to PA, in advance, as billed by PA, a monthly base fee equal to \$4,000 each month of the term of the Agreement.
4. Except as expressly amended by the foregoing, all the terms and conditions of the Agreement, including, without limitation, those provisions pertaining to the Service(s) and the Fee (including, without limitation, payment terms) shall remain in full force and effect.
5. This Amendment may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same document.

IN WITNESS WHEREOF, Subscriber and PA have executed this Amendment as of the Amendment Date.

PRESS ASSOCIATION, INC.

VOXANT

By: _____

Print Name: Jane Seagrave

Title: Vice President, AP Digital

By: _____

Print Name: Jeffrey Crigler

Title: CEO

EXHIBIT C

SECOND AMENDMENT TO CURRENT NEWS LICENSE AGREEMENT

VOXANT ("Subscriber") and PRESS ASSOCIATION, INC. ("PA") are parties to that certain Current News License Agreement (the "Agreement"), dated as of September 1, 2006.

Subscriber and PA desire to amend the Agreement, effective as of August 13, 2007 (the "Amendment Date"), as set forth in this Second Amendment (this "Amendment") to the Agreement.

In consideration of the foregoing, Subscriber and PA hereby agree to amend, effective as of the Amendment Date, the Agreement as follows:

1. Service(s). The "Service(s)" (as defined in the Agreement) shall be amended to be: Section 1.4. Additional services: Today-In-History Video.
2. Except as expressly amended by the foregoing, all the terms and conditions of the Agreement, including, without limitation, those provisions pertaining to the Service(s), shall remain in full force and effect.
3. This Amendment may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same document.

IN WITNESS WHEREOF, Subscriber and PA have executed this Amendment as of the Amendment Date.

PRESS ASSOCIATION, INC.

VOXANT

By: _____

Print Name: Jane Seagrave

Title: Vice President, AP Digital

By: _____

Print Name:

Title:

EXHIBIT D

THIRD AMENDMENT TO CURRENT NEWS LICENSE AGREEMENT

VOXANT ("Subscriber") and PRESS ASSOCIATION, INC. ("PA") are parties to that certain Current News License Agreement (the "Agreement"), dated as of 'ttryan2@verizon.net' September 1, 2006.

Subscriber and PA desire to amend the Agreement, effective as of September 1, 2007 (the "Amendment Date"), as set forth in this Third Amendment (this "Amendment") to the Agreement.

In consideration of the foregoing, Subscriber and PA hereby agree to amend, effective as of the Amendment Date, the Agreement as follows:

1. Service(s). The "Service(s)" (as defined in the Agreement) shall be amended to be: Additional services: Campaign Plus Video and Campaign Plus Interactives. The aforementioned services will be available to Subscriber until November 11, 2008.
2. Fee. The "Fee" (as defined in the Agreement) shall be amended to be:

Schedule B, Section 2. Additionally, Subscriber shall pay to PA, in advance, a one-time fee of \$30,000.00 for the aforementioned services.

3. Except as expressly amended by the foregoing, all the terms and conditions of the Agreement, including, without limitation, those provisions pertaining to the Service(s) and the Fee (including, without limitation, payment terms) shall remain in full force and effect.
4. This Amendment may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same document.

IN WITNESS WHEREOF, Subscriber and PA have executed this Amendment as of the Amendment Date.

PRESS ASSOCIATION, INC.

VOXANT

By: _____

Print Name: Jane Seagrave

Title: Vice President, AP Digital

By: _____

Print Name: Jeffrey Ogler

Title: CEO

EXHIBIT E

PRESS ASSOCIATION
 I N C O R P O R A T E D
A Subsidiary of ASSOCIATED PRESS
 450 West 33rd Street, New York, NY 10001, USA

INVOICE
 Please Remit \$13,467.04
 Payable upon receipt

Customer Number 462525 Account Id 10026245 Invoice Date July 1, 2009 Invoice Number 1207309

BILL TO:

VOXANT, INC.
 520 HERNDON PARKWAY
 HERNDON, VA 20170
 ART BUSHNELL

REMIT TO:

PRESS ASSOCIATION, INC.
 P.O. BOX 414243
 BOSTON, MA 02241-4243

Please make any address corrections above

Please return this portion with your payment

Retain this portion for your records

PAYMENT DUE UPON RECEIPT

Customer Number 462525 Account Id 10026245 Invoice Date July 1, 2009 Invoice Number 1207309

SERVICE DESCRIPTION	AMOUNT IN US DOLLARS
U.S. and World News - Plus Recurring charge of 9,155.46 per month	9,155.46
AP Sports Video Recurring charge of 4,172.44 per month	4,172.44
Interest on Balance of \$ 13,913.85 at 1% per month	139.14
INVOICE TOTAL	\$13,467.04

*** Batch Totals ***

Printing Batch 3181 for Period 2009-07 on 16-JUN-09

Batch contains 1257 Invoices for *****

Selecting Accounts from 462525 to 462525

Printing 1 Invoices for 13,327.90

Interest DR Batch 5617 contains 395 Memos for \$47,616.59

Interest CR Batch 5618 contains 18 Memos for \$4,653.68

EXHIBIT F

PRESS ASSOCIATION
 I N C O R P O R A T E D
A Subsidiary of ASSOCIATED PRESS
 450 West 33rd Street, New York, NY 10001, USA

INVOICE
 Please Remit \$13,333.76
 Payable upon receipt

Customer Number 462525 Account Id 10026245 Invoice Date August 1, 2009 Invoice Number 1208687

BILL TO:

VOXANT, INC.
 520 HERNDON PARKWAY
 HERNDON, VA 20170
 ART BUSHNELL

REMIT TO:

PRESS ASSOCIATION, INC.
 P.O. BOX 414243
 BOSTON, MA 02241-4243

Please make any address corrections above

Please return this portion with your payment

Retain this portion for your records

PAYMENT DUE UPON RECEIPT

Customer Number 462525 Account Id 10026245 Invoice Date August 1, 2009 Invoice Number 1208687

SERVICE DESCRIPTION	AMOUNT IN US DOLLARS
U.S. and World News - Plus	
Recurring charge of 9,155.46 per month	9,155.46
AP Sports Video	
Recurring charge of 4,172.44 per month	4,172.44
Interest on Balance of \$ 585.95 at 1% per month	5.86
INVOICE TOTAL	\$13,333.76

*** Batch Totals ***

Printing Batch 3188 for Period 2009-08 on 17-JUL-09

Batch contains 1260 Invoices for *****

Selecting Accounts from 462525 to 462525

Printing 1 Invoices for 13,327.90

Interest DR Batch 5713 contains 382 Memos for \$46,299.65

Interest CR Batch 5714 contains 7 Memos for \$463.78