

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK**

INTERNATIONAL BUSINESS MACHINES  
CORPORATION,

Plaintiff,

vs.

MARK D. PAPERMASTER,

Defendant.

08 Civ. 9078 (KMK)

**SUPPLEMENTAL DECLARATION  
OF RODNEY C. ADKINS**

**[CONFIDENTIAL TREATMENT  
REQUESTED]**

I, Rodney C. Adkins, declare as follows:

1. For an explanation of my title and job responsibilities, I respectfully refer the Court to my initial declaration dated October 23, 2008.
2. I understand that, in his opposition to IBM's request for preliminary injunction, Mr. Papermaster attempts to draw a distinction between IBM's business, which he claims is focused on large scale machines for business applications, and that of Apple, which he claims is focused on small, consumer-friendly devices. I understand that, based on that distinction, Mr. Papermaster then argues that it is unlikely that, during his work at Apple, he will need to use or disclose IBM's trade secrets and confidential information that he learned and utilized during his work with IBM.
3. In my opinion, there are very significant problems with the premise of Mr. Papermaster's argument and, therefore, with the conclusion he draws from it.
4. Both large electronic devices, such as servers, and small electronic devices, such as Apple's iPod and iPhone products, require and rely upon microprocessors.

5. “Power” is one of the handful of architectures used to design, develop and manufacture microprocessors for both large and small electronic devices.<sup>1</sup> As evidenced by its extensive use in a wide variety of applications, “Power” is superior to other architectures in its scalability, its flexibility and its ability to be customized to myriad applications.

6. For many years now, IBM has been making microprocessors and other semiconductor technology, including embedded cores, suitable for incorporation in consumer electronics, including cell phones, personal computers and video game consoles.

7. Some of IBM’s microprocessors could be customized for incorporation in Apple’s iPod and iPhone products and Apple’s line of personal computers, and, indeed, up until 2006, IBM supplied Apple with microprocessors, based on “Power” architecture, for Apple’s line of personal computers.

8. In addition, IBM has developed a robust pipeline of technology suitable for incorporation in consumer electronics like the iPod or iPhone, as well as personal computers and video game consoles. By way of example:

- a. In March 2007, IBM unveiled a prototype optical transceiver chipset<sup>2</sup>—only 3.25 by 5.25 millimeters in size—capable of reaching speeds at least eight times faster than optical components available today. The technology would be fast enough to reduce the download time for a typical high-definition film to a single second compared to the 30 minutes or more for previous technology. (Exhibit 1.)
- b. In September 2007, IBM unveiled a single-chip technology for the radio frequency (RF) function of cell phones. (Exhibit 2.)
- c. In April 2008, IBM revealed that it had developed a new type of digital storage, which would enable a device such as an MP3 player (like the iPod and the iPhone) to store about half a million songs or 3,500 films. Devices using this new

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<sup>1</sup> “Architecture” is a general term that refers to a broad array of know-how and/or technical instructions used to design electronic devices.

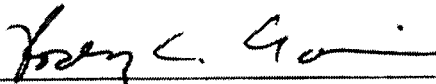
<sup>2</sup> An optical transceiver is an integrated circuit that transmits and receives data using optical fiber, rather than electrical wire.

technology would require much less power, would run on a single batter charge for weeks at a time, and would last for decades. (Exhibit 3.)

9. As I noted in my October 23 declaration, up until his departure from the Company, Mr. Papermaster was IBM's top expert in "Power" technology. That technology is not specific to designing microprocessors for server products, and, indeed, as I explain above, it is also used to design microprocessors for consumer electronics. Thus, in my opinion, the trade secrets and confidential know-how that Mr. Papermaster has in his possession can be used for extensive and far-reaching applications in the field of consumer electronics.

I declare under penalty of perjury that the foregoing is true and correct.

Executed: November 4, 2008  
Armonk, New York

  
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Rodney C. Adkins