Case 1:06-cv-00040-SSB-TSB Document 74-3 Filed 07/20/2007 Page 1 of 2 Case 5:03-cv-05340-JF Document 265 Filed 01/26/2007 Page 2 of 21

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1
                        UNITED STATES DISTRICT COURT
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                     NORTHERN DISTRICT OF CALIFORNIA
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    4
         GOOGLE INC., a Delaware
         corporation,
    5
                    Plaintiff(s),
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                                                      Case No.
   7
        AMERICAN BLIND & WALLPAPER
                                                 C 03~5340-JF (RS)
        FACTORY, INC., a Delaware
   8
        corporation d/b/a
        decoratedtoday.com, Inc., and
   9
        DOES 1 through 100,
        inclusive,
  10
                   Defendant(s).
  11
 12
       AMERICAN BLIND & WALLPAPER
       FACTORY, INC., a Delaware corporation d/b/a
 13
       decoratedtoday.com, Inc., and DOES 1 through 100, inclusive
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                  Counter-Plaintiff,
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       GOOGLE INC., a Delaware
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       corporation,
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                 Counter-Defendant.
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20
                 DEPOSITION OF DR. ITAMAR SIMONSON
21
                             Held at Howrey
              525 Market Street, Suite 3600
San Francisco, California
Friday, December 15, 2006, 9:51 a.m.
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24
      REPORTED BY: James Beasley, CSR No. 12807
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EXHIBIT

search result that the consumer would expect to get 1 2 if they just put in blinds? 3

A. I don't know. I don't think that that would be a concern. I'm not sure how many consumers have some theories about the algorithm that generates organic results or in the context of the survey that would be a significant factor, that somehow they would analyze and say, well, here is American Blinds.

Let's assume that they know to research a brand or think, is there American Blinds, which sounds like a perfectly legitimate organic result. I mean, there are blinds that are made and sold in America. So there is nothing unusual there.

Q. Okay. So have you any other suggestions for what a proper control would be?

A. You know, I haven't thought -- that seems so obvious. I haven't thought about others.

Q. Okay.

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A. I mean, you could have asked about a different brand. That would be another control. 21 Like, would you find -- I don't know, name another

23 brand. 24 Q. Uh-huh.

25 That could be another control.

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1 Q. Okay. 2 A. This was an especially easy survey for 3 which to find a control.

Q. Would changing the appearance of the way the listings come back be a proper control, in other words, moving the sponsored listings down to the bottom and putting a disclaimer saying that these listings aren't related to the search term?

A. I don't know. Now you -- that's an open -- there are infinite possibilities about moving it two inches down or an inch and a half up. I don't see any need for that.

I mean, the key here is whether the consumers are misled after entering the term american blinds by the sponsored links that appear. So I think that's really the question, not exactly the positioning.

I understand the complaint is not saying, how come the sponsored links appear two inches to the right or whatever. My understanding, that's not the basis for the allegations here.

Q. Well, I think you're mistaken on that. You're aware that the ordering of listings can have an Impact on the click-through rate, right?

A. Yes,

Q. And that's why right now the sponsored 1 listings are either at the top of the organic 2

listings or directly to the right of the top of the

organic listings, correct?

5 A. Yes.

6 Q. And so if you assume -- if you just accept

my representation that the manner in which the

listings are presented in response to a search term 9

In the trademark is part of the problem, would it be an acceptable control to just move the sponsored 10

listings down to the bottom and put a disclaimer 11

12 up?

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13 A. No.

And why not?

15 A. No. I mean, I don't think that's the 16

question. The question is whether -- I forget how Mr. Ossip defined his mandate, but I believe he 17

said, whether consumers who enter the search term 18 19

american blinds in the Google search engine are misled by their results by the sponsored links 20

appearing on the web results. 21 22

That's the question. So the question is, in other words, you have to enter the terms

23 american blinds and then you are misled by the 24

25 links. It doesn't say are misled because the

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links -- the sponsored links appear one inch from the top as opposed to four and a half inches from

the top. I just didn't see that in his objective

for the survey. So therefore that would not be my 5

6 Q. Okay. But if it was his control, why wouldn't that have been acceptable, what would your 8 criticism be?

9 A. Because it would have the same problems 10 that we talked about.

11 Q. I don't understand. What would the same 12 problems be?

13 A. Well, because it still would not show in any way that the beliefs or the answers had 14 15 anything to do with entering the key words, 16 american blinds.

17 Q. Well, but you understand that the infringement is not the fact that people type in 18 american blinds, or the alleged infringement is not 19

the fact people type in american blinds, it's what 20

21 comes back in response to that?

22 A. Yeah, that's my understanding.

23 Q. So if you were to compare what's currently 24 coming back versus, you know, rearranging it in

some way and you didn't have -- and you didn't have