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IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF PENNSYLVANIA  
Civil Action No. 05-145J

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VALENCIA M. McCLATCHEY,

Plaintiff,

vs.

THE ASSOCIATED PRESS,

Defendant.  
----- x

DEPOSITION OF: GEORGE GALT  
January 19, 2006, 3:15 p.m.

**EXHIBIT**

16

tabbles

1 THE WITNESS: What is topic 3?

2 Q. Topic 3 is in exhibit, I believe, 1.

3 A. The AP's organizational structure,  
4 okay.

5 Q. The main question I want to ask is The  
6 Associated Press is made up of, owned by United  
7 States news outlets; is that correct?

8 A. They are the bondholders of the  
9 company, yes.

10 Q. By "bondholders," what do you mean?

11 A. They have, to the extent I understand  
12 it completely, they have agreed to -- they have  
13 obviously paid money for the creation of the  
14 organization at some point in the past. And I  
15 believe that is they are bound to hold or to be  
16 responsible for the debts of the corporation,  
17 understanding the bond structure correctly.

18 Q. So the United States members is news  
19 publications that own The Associated Press are  
20 responsible for the debts and the liabilities of The  
21 Associated Press; is that correct?

22 A. I believe so. Yes.

23 Q. Is it fair to describe The Associated  
24 Press as a cooperative?

1           A.     I think that's one -- I mean, you know,  
2 to the extent that that term "cooperative" has  
3 any -- I don't know if it has any legal  
4 significance. I don't think it does. But yes, it  
5 is referred to colloquially as a not-for-profit  
6 membership cooperative. So, yes, you can use the  
7 term.

8           Q.     Do you know what the benefits of The  
9 Associated Press -- I'll use your words,  
10 not-for-profit membership cooperative is to its  
11 members and subscribers?

12                   What are the main benefits?

13           A.     The main benefit is that they are  
14 entitled to receive the news that the corporation  
15 publishes within certain limitations. I mean  
16 there's geographic limitations to that and are  
17 entitled to also provide news to the cooperative.

18           Q.     Is it fair to say that The Associated  
19 Press allows the news organizations around the world  
20 to pool their resources and reduce costs that they  
21 would otherwise have to bear alone?

22           A.     I mean, I think, yes. That's one way  
23 to look at it. It's a cost reduction, you know,  
24 aggregation of resources. You can have one

1 Associated Press reporter in Afghanistan instead of  
2 The New York Times, The Washington Post, The L.A.  
3 Times, et cetera, each having a reporter.

4 (Initial disclosure of defendant  
5 The Associated Press marked Plaintiff's  
6 Exhibit 17 for identification as of this  
7 date.)

8 Q. I'm going to hand you what's going to  
9 be marked as Plaintiff's Exhibit 17. It is the Rule  
10 26(a)(1) initial disclosures of defendant The  
11 Associated Press.

12 First question is, have you ever seen  
13 this document?

14 A. No.

15 Q. No?

16 A. No.

17 Q. Are you familiar with what a Rule  
18 26(a)(1) initial disclosure is?

19 A. No.

20 Q. Are you familiar with the fact that  
21 insurance agreements must be produced pursuant to  
22 Federal Rule of Civil Procedure 26(a)(1)?

23 A. No, I'm not. I'm not a litigator. I  
24 forgot all this after --