

EXHIBIT 1

9/1/06 Mg'g Intell. Prop. 14
2006 WLNR 16918651

Managing Intellectual Property

(c) Euromoney Institutional Investor PLC This material must be used for the customer's internal business use only and a maximum of ten (10) hard copy print-outs may be made. No further copying or transmission of this material is allowed without the express permission of Euromoney Institutional Investor PLC. Mail to: publisher@euromoney.com Copyright 2006 Euromoney Institutional Investor PLC

September 2006

Issue 162

More than words: musician turned patent enforcer Judah Klausner is lining up law suits against some of America's biggest communications companies. He spoke to Shahnaz Mahmud about his plans, and why he denies being a patent troll.

NEWS

Creating an invention is like writing a song. It's instinctive. It's about putting something together in a novel way. With music it's the words, with an invention the ideas. It's not hard to understand why Judah Klausner, head of Klausner Technologies, speaks passionately about this belief. He trained as a musicologist, received an undergraduate degree in music from New York University and did graduate work at the Royal Academy of Music. But his main claim to fame falls within the realm of patents. He maintains that he is the creator of the original personal data assistant (PDA) and the electronic organizer, and received his first patents in the mid-1970s.

"It was an idea whose time had not yet come. To this day, every PDA hand-held device--every cell phone--has my invention inside of it," he claims.

Another Klausner patent, filed in 1992 and covering the selective retrieval of voice messages, is now in the spotlight after Klausner and his lawyers Dovel & Lerner settled a lawsuit against AOL in April.

The suit alleged that AOL's voice services platform--which includes AOL Voicemail, AOL Call Alert, AOL by Phone and AOL VoIP Internet Phone Service--infringed Klausner's patent. He sought \$200 million in damages.

Klausner claimed the service infringed his patent by providing subscribers with visual notification of new voice messages, including caller identifying information, and giving them the option of selectively retrieving voice messages using

their displays.

Klausner--who himself uses an AOL email account--is not allowed to talk about the settlement, but he says he was very happy with the outcome.

Now he is readying for a similar lawsuit--in which he is seeking \$180 million from broadband telephone services provider Vonage. After that, Klausner and his lawyers are planning to approach a slew of companies in the US that provide VoIP services. There are a lot of them out there.

His targets include a range of companies that offer VoIP: telephone companies, cable companies, internet service providers and internet web portal companies. If the amount Klausner is seeking seems large, he explains that it is calculated on a projection of possible Vonage royalties based on volume and the damages the courts might award him if the ruling is in his favour.

This sounds suspiciously like a patent troll treading down the litigation track. Yet, Klausner says: "I'd be as happy as a pig in mud if I never have to go to court again." That would be pretty tough to achieve in an increasingly litigious sector. Klausner puts some of the blame for this trend on the defendants. "The infringers are becoming more litigious. There are lots of theories as to why. On the whole everyone is becoming more litigious."

Klausner denies that his company is a patent troll, as he defines the term: "Just change the 'n' in inventor to 's'. These investors start up a fund and put patents in a portfolio. They see them as oil wells. I am an inventor. The value I bring to the universe is my ideas. I'm not a marketer or a manufacturer or a distributor. We are a company that invents and receives patents--my own--and licenses them."

Necessary enforcement

In 1994, nearly 18 years after experiencing his first eureka and subsequently receiving a formal stamp of approval from the USPTO in the form of a patent on the PDA, Klausner set up his own patent holding and technology licensing company in Sagaponak, New York. The purpose? To protect his inventions from being used without a signed patent licence in place.

This, he says, is the most challenging part--getting companies who are interested in using the technology to pay royalties.

"It's like the IRS. If people don't think they're being audited--if they don't respect the laws--enforcement is necessary," he says.

For 20 years, Klausner has employed New York IP firm Darby & Darby for patent work. But, for litigation, he decided to look elsewhere. "I still work with Darby & Darby, but I found that too many conflicts arise with such a large firm. I

wanted to work with someone who specializes in litigation, given the legal battles that are crowding the industry," he explained. Klausner signed up California litigation specialist Dovel & Luner because it seemed "ready to take on the world". They were also willing to take on his patent.

"They believed in the case and were excited by it because they loved the idea of what I invented. They also understood the business implication of why it was so important," says Klausner. Everything is handled on a contingency basis. Klausner underscores that they participate on the upside. "I can't touch the percentage of what my lawyers made with a 20 foot pole." But he says it is fair to say they were also pleased with the AOL outcome.

Klausner is adamant about the need for inventors to protect themselves. "In the music business, songwriters have organizations like BMI and ASCAP to collect the royalties owed to them. Since nothing exists for inventors in the patent world, starting up my company is the default to go into to get paid my royalties," says Klausner.

His company has now expanded with a new office in Plano, Texas. The Vonage suit was filed in the eastern district of Texas--generally regarded as the US's most patent- and troll-friendly jurisdiction. Klausner says the choice of forum was made for "technical reasons".

The sticking point for patents is in their nature. "Patents are difficult because they are so abstract. They're not a series of notes playing in any order. The controversy over validity is fairly great. It's hard to have a plain vanilla BMI or ASCAP in the patent world," he says.

Klausner makes it clear that the establishment some sort of licence fee-collecting organization is one of his greatest desires for the industry for the future, but acknowledges that there is nothing on the cards at this time. He also claims that he'd like to get away from litigation and get on with creating inventions--so he can spend more time making music.

---- INDEX REFERENCES ----

COMPANY: TIME WARNER INC; VONAGE HOLDINGS CORP

NEWS SUBJECT: (Intellectual Property (1IN75); Licensing (1LI80); Patents & Trademarks (1PA79); Legal (1LE33); Technology Law (1TE30); Government Litigation (1GO18); Economics & Trade (1EC26))

REGION: (USA (1US73); Americas (1AM92); North America (1NO39); New York (1NE72); Texas (1TE14))

Language: EN

OTHER INDEXING: (AOL; KLAUSNER TECHNOLOGIES; NEW YORK UNIVERSITY; PDA; ROYAL ACADEMY OF MUSIC; USPTO; VOIP; VOIP INTERNET PHONE; VONAGE) (Darby Darby; Dovel Luner; Judah Klausner; Klausner; Patents; Shahnaz Mahmud)

KEYWORDS: PatentsManagement

Word Count: 1195

9/1/06 MGIP 14

END OF DOCUMENT