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IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION

AMERICAN AIRLINES, INC.,

Plaintiff,

YAHOO! INC. and OVERTURE SERVICES,
INC. d/b/a YAHOO! SEARCH MARKETING,

Defendants.

Civil Action No. 4-08CV-626-A

**DEFENDANT YAHOO! INC.'S OBJECTIONS AND RESPONSES TO
PLAINTIFF'S THIRD SET OF INTERROGATORIES**

Pursuant to Rules 33 and 34 of the Federal Rules of Civil Procedure, Defendants Yahoo! Inc. and Overture Services, Inc. d/b/a Yahoo! Search Marketing (collectively, "Yahoo!") hereby submit the following responses to Plaintiff American Airlines, Inc.'s ("American Airlines" or "American") Third Set of Interrogatories.

Yahoo!'s responses to the Third Set of Interrogatories are made to the best of Yahoo!'s present knowledge, information, and belief. These responses are at all times subject to such additional or different information that discovery or investigation may disclose. Yahoo! reserves its right to amend these responses in accordance with Rule 26(e)(1) of the Federal Rules of Civil Procedure to incorporate additional information, and to offer such additional information at trial or at any hearing or other proceeding in this case.

Yahoo! objects to Plaintiffs definition of DEFENDANTS (see Definition No. 3) as overbroad to the extent such definition encompasses Yahoo! affiliates that are not involved in keyword advertising. Yahoo! also objects to the inclusion of Yahoo!'s "attorneys" within this definition, insofar as such definition seeks information protected by the attorney-client privilege and/or work product doctrine.

INTERROGATORIES

INTERROGATORY NO. 11 :

With respect to YAHOO'S Second Affirmative Defense (Nominative Use), set forth in its Answer in this lawsuit, state all facts that support YAHOO'S averment that AMERICAN AIRLINES' "claims are barred, in whole or in part, by the doctrine of nominative use,"

INCLUDING:

(a) why the products or services offered by DEFENDANTS and DEFENDANTS' CUSTOMERS are not readily identifiable without use of the AMERICAN AIRLINES MARKS;

(b) how DEFENDANTS and DEFENDANTS' CUSTOMERS that made use of the AMERICAN AIRLINES MARKS only used so much of the AMERICAN AIRLINES MARKS as is reasonably necessary to identify the products or services offered by DEFENDANTS and DEFENDANTS' CUSTOMERS; and

(c) what DEFENDANTS and the relevant DEFENDANTS' CUSTOMERS did to prevent consumers from concluding that AMERICAN AIRLINES did not sponsor or endorse their products or services.

RESPONSE TO INTERROGATORY NO. 11:

Yahoo! objects to this Interrogatory as compound. Yahoo! also objects to this Interrogatory to the extent that it calls for information protected by the attorney-client privilege or attorney work product doctrine. Yahoo! further objects to the extent this Interrogatory calls for a legal conclusion. Yahoo! objects to this Interrogatory as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence to the extent it seeks "all facts" related to Yahoo!'s Second Affirmative Defense. Subject to these objections, Yahoo! responds as follows:

The well-established doctrine of "nominative fair use" permits those who legitimately sell a product or service to use the associated trademark to identify what they are selling. The accused advertisements in this case, as well as Yahoo!'s sponsored search advertising program

through which those advertisements are displayed, make only nominative fair use of American's trademarks. The following facts, among others, support Yahoo!'s nominative fair use defense:

The allegedly infringing Sponsor Results were displayed on Yahoo!'s search results pages in response to user searches for terms containing trademarks of American Airlines and other terms purportedly similar to those trademarks. The vast majority of those Sponsor Results were placed by online travel agents ("OTAs") or travel meta-search engines ("MSEs") that sold or facilitated the sale of American Airlines plane tickets. These OTAs and MSEs included well-known companies such as Expedia, Orbitz, Travelocity, CheapTickets, Rooking Buddy, and Lowfares.

- American Airlines has made a business choice to use OTAs to sell its plane tickets. While certain other airlines sell all of their tickets directly to consumers, American Airlines sells tickets both directly *and* through OTAs. Expedia, Orbitz, Travelocity, CheapTickets, and the other OTAs whose Sponsor Results are accused of infringement in this case are authorized under an agreement administered by the Airlines Reporting Corporation ("ARC Agreement") to sell American Airlines tickets, and have been so authorized since at least December 2002.
- Travel MSEs are websites that allow users to compare airline flights and fares offered on different OTA and/or airline websites. The MSEs do not sell airline tickets themselves, but rather direct users to OTA or airline websites to complete ticket purchases. Booking Buddy, Lowfares, and the other travel MSEs whose Sponsor Results are accused of infringement in this case send users to OTAs where American Airlines tickets can be purchased. Many of those travel MSEs also provide factual information regarding American Airlines flights and fares, with American's authorization.
- **The allegedly infringing Sponsor Results placed by OTAs and travel MSEs did nothing more than truthfully advertise that those companies sell or facilitate the sale of American Airlines tickets. The accused Sponsor Results displayed on Yahoo!'s**

search results pages were labeled "Sponsor Results" and were often shown in a colored box. The accused Sponsor Results were generally simple in content and form. They included a title, a short description of the product offered, and the URL of the advertiser's website. The screenshot excerpt below is an example of one of the accused Sponsor Results (see First Amended Complaint, ¶ 66):

Discount American Airline

Tickets

Sort flights by price, departure time,
duration and airline at Orbitz.
www.orbitz.com

- The accused Sponsor Results used only the plain text of the trademark term itself (e.g., "American Airlines" or "American Airline") to identify the brand of plane tickets being sold. American Airlines plane tickets cannot be clearly identified without using the trademark term "American Airlines." The Sponsor Results did not use the American Airlines logo, colors, or any other design features of the American Airlines trademarks.
- The accused Sponsor Results did not say anything to confuse Internet users as to their source, or to misleadingly suggest affiliation, sponsorship, or endorsement by American Airlines. The source of each Sponsor Result was clearly identified by the URL of the advertiser's website, typically shown in green text. For instance, in the exemplary Sponsor Result shown above, the source is identified as Orbitz by the URL "www.orbitz.com." That URL cannot be confused with American Airlines or the URI, of its website, "www.aa.com." Orbitz is also identified in the description portion of the Sponsor Result. The other accused Sponsor Results similarly identify their source by the advertiser's URL, and, in many cases, in the title and description.
- The advertisers that placed the accused Sponsor Results were responsible for drafting the titles and descriptions of those Sponsor Results, subject to Yahoo!'s editorial guidelines. Yahoo!'s search engine performed the function of displaying those

Sponsor Results in response to user searches on terms containing trademarks of American Airlines, pursuant to Yahoo!'s trademark policy and guidelines. Merely displaying advertisements in response to user searches on trademark terms does not create user confusion and cannot give rise to trademark infringement liability.

- Yahoo! incorporates herein by reference its responses to Plaintiff's Interrogatories 3 and 4 regarding Yahoo!'s trademark policy and specific efforts undertaken to implement the policy in connection with the American Airlines trademarks.
- Yahoo! incorporates herein by reference the Expert Report of Dr. Isabella Cunningham, dated August 16, 2009, and the results of the survey that she conducted.
- Yahoo! may rely upon data, documents, and testimony provided by Yahoo!, American Airlines, or third parties in this litigation to support the facts recited herein, including, without limitation, data, documents, and testimony regarding the accused Sponsor Results, Yahoo!'s trademark policy and compliance procedures, the OTAs and MSEs that placed the accused Sponsor Results, and American's relationship with the OTAs and MSEs.

INTERROGATORY NO. 12:

With respect to YAHOO's Third Affirmative Defense (Fair Use), set forth in its Answer in this lawsuit, state all facts that support YAHOO's averment that AMERICAN AIRLINES' "claims are barred, in whole or in part, by the doctrine of fair use," INCLUDING all facts that support the conclusion that DEFENDANTS and DEFENDANTS' CUSTOMERS that made use of the AMERICAN AIRLINES MARKS only used the AMERICAN AIRLINES MARKS otherwise than as a mark and in a way that is descriptive of and used fairly and in good faith only to describe the goods or services of DEFENDANTS or such DEFENDANTS' CUSTOMERS.

RESPONSE TO INTERROGATORY NO. 12:

Yahoo! objects to this Interrogatory to the extent that it calls for information protected by the attorney-client privilege or attorney work product doctrine. Yahoo! further objects to the extent this Interrogatory calls for a legal conclusion. Yahoo! objects to this Interrogatory as

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overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence to the extent it seeks "all facts" related to Yahoo!'s Third Affirmative Defense. Subject to these objections, Yahoo! responds as follows:

Yahoo! incorporates herein by reference its response to Plaintiffs Interrogatory 11. Additionally, at least six of the nine American Airlines trademarks asserted in this case (specifically, "American Airlines," "American Airlines," "American Eagle," "AA," "A A," and "American Connection") have generic, descriptive meanings that have nothing to do with American Airlines. The terms "American airlines" and "Americanairlines" can be used to describe airlines based in America (e.g., "Delta Airlines is an American airline"). The term "American Eagle" can be a reference to the national emblem of the United States, as well as a trademark of businesses in other industries (e.g., American Eagle Outfitters, the clothing company). The terms "A A" and "A A" can refer to a women's shoe width or to Alcoholics Anonymous. The term "American connection" can have a generic meaning unrelated to American Airlines. The use of such terms in keyword advertising on Yahoo! in their generic, descriptive sense does not infringe the American Airlines trademarks.

Yahoo! may rely upon data, documents, and testimony provided by Yahoo!, American Airlines, or third parties in this litigation to support the facts recited herein, including, without limitation, data, documents, and testimony regarding the accused Sponsor Results, Yahoo's trademark policy and compliance procedures, the OTAs and MSEs that placed the accused Sponsor Results, and American's relationship with the OTAs and MSEs.

INTERROGATORY NO. 13:

With respect to YAHOO's Eighth Affirmative Defense (Trademark Misuse), set forth in its Answer in this lawsuit, state all facts that support YAHOO's averment that AMERICAN AIRLINES' "claims are barred" by the doctrine of trademark misuse.

RESPONSE TO INTERROGATORY NO. 13:

Yahoo! objects to this Interrogatory to the extent that it calls for information protected by the attorney-client privilege or attorney work product doctrine. Yahoo! further objects to the

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extent this Interrogatory calls for a legal conclusion. Yahoo! objects to this Interrogatory as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence to the extent it seeks "all facts" related to Yahoo!'s Eighth Affirmative Defense. Subject to these objections, Yahoo! responds as follows:

American Airlines has made a business choice to use OTAs to sell its plane tickets. While certain other airlines sell all of their tickets directly to consumers, American Airlines sells tickets both directly and through OTAs. Expedia, Orbitz, Travelocity, CheapTickets, and the other OTAs whose Sponsor Results are accused of infringement in this case are authorized under the ARC Agreement to sell American Airlines tickets, and have been so authorized since at least December 2002. Accordingly, American has chosen to compete with OTAs in the marketplace for the sale of American's own tickets.

Through this litigation, American seeks to block Yahoo! from displaying Sponsor Results from OTAs and travel MSEs that legitimately sell or facilitate the sale of American's tickets.

American's apparent goal is to secure for itself the exclusive right to place keyword advertisements on Yahoo!'s search results pages triggered by searches for American's trademarks. In such a circumstance, Internet users would be deprived of information regarding legitimate, alternative sellers of American's plane tickets. Under U.S. trademark law, American is not entitled to prevent legitimate sellers of American's plane tickets from informing the public of what they sell. Trademark rights do not grant an absolute monopoly over the use of the trademarked terms and may not be used as a weapon to squelch legitimate commercial speech making only nominative fair use of the terms. Having authorized the OTAs to sell American's tickets, American may not use its trademarks for the anticompetitive purpose of eliminating the OTA presence on Yahoo!'s search results pages and thereby limiting consumer choice.

Yahoo! may rely upon data, documents, and testimony provided by Yahoo!, American Airlines, or third parties in this litigation to support the facts recited herein, including, without limitation, data, documents, and testimony regarding the OTAs and MSEs that placed the accused Sponsor Results, and American's relationship with the OTAs and MSEs.

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INTERROGATORY NO. 14:

With respect to YAHOO's Fourteenth Affirmative Defense (Estoppel), set forth in its Answer in this lawsuit, state all facts that support YAHOO's averment that AMERICAN AIRLINES "is estopped, in whole or in part, from asserting the claims alleged, and obtaining the relief requested in the Complaint against Yahoo, by reason of American Airlines' conduct, actions, and communications to others," INCLUDING:

- (a) what "conduct, actions, and communications" support this averment;
- (b) how YAHOO relied on such "conduct, actions, and communications"; and
- (c) what prejudice or harm DEFENDANTS have suffered as a result thereof.

RESPONSE TO INTERROGATORY NO. 14:

Yahoo! objects to this Interrogatory as compound. Yahoo! also objects to this Interrogatory to the extent that it calls for information protected by the attorney-client privilege or attorney work product doctrine. Yahoo! further objects to the extent this Interrogatory calls for a legal conclusion. Yahoo! objects to this Interrogatory as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence to the extent it seeks "all facts" related to Yahoo!'s Fourteenth Affirmative Defense. Subject to these objections, Yahoo! responds as follows:

American Airlines has made a business choice to use OTAs to sell its plane tickets. While certain other airlines sell all of their tickets directly to consumers, American Airlines sells tickets both directly and through OTAs. Expedia, Orbitz, Travelocity, CheapTickets, and the other OTAs whose Sponsor Results are accused of infringement in this case are authorized under the ARC Agreement to sell American Airlines tickets, and have been so authorized since at least December 2002.

Since at least 2001, American has participated in the sponsored search advertising program of Yahoo!, Overture, and/or Goto.com. American has bid on its own trademark terms, as well as many other keywords. Through information obtained from Yahoo!'s salespeople and from other sources, American has known since at least 2001 that OTAs and travel MSEs were

participating in Yahoo!'s Sponsored Search advertising program and were bidding on American's trademarks.

Since at least 2001, Yahoo! has had procedures for trademark owners to register complaints or concerns regarding the use of their trademarks by others in connection with Sponsor Results. Yahoo! incorporates herein by reference its response to Plaintiff's Interrogatory 3 regarding Yahoo!'s trademark policy and complaint procedures.

American did not notify Yahoo! of any perceived issues regarding the use of American's trademarks in connection with Yahoo!'s Sponsored Search advertising program until late 2006. In October 2006, American contacted Yahoo! with a concern regarding use of the term "aa.com" in Sponsor Results on Yahoo!'s search results pages. In December 2006, American informed Yahoo! that it was prepared to immediately file a lawsuit alleging trademark infringement unless Yahoo! was willing to enter into a standstill agreement tolling the statutory limitations period. A standstill agreement between Yahoo! and American was executed on December 19, 2006. Prior to these communications, American had not previously notified Yahoo! of any concerns regarding alleged trademark infringement in connection with Yahoo!'s Sponsored Search advertising program.

In December 2006, American executed an Addendum to its ARC Agreement. The ARC Addendum explicitly prohibited the OTAs who were authorized to sell American tickets from bidding on American's trademarks as keywords in connection with search engine advertising. Following the execution of the ARC Addendum, keyword advertising by OTAs on Yahoo! based on American's trademarks sharply declined and ceased almost entirely by late 2007.

While Yahoo! denies that American's trademarks were ever infringed in connection with Yahoo!'s Sponsored Search advertising program, if any such infringement occurred, American was or should have been aware of such infringement since at least 2001. Yet, American did not notify Yahoo! of any alleged infringement and did not implement its contractual remedy against the OTAs until December 2006. As a consequence, the OTAs and travel MSEs continued bidding on American's trademarks. Had American acted sooner, it might have been able to

contractually resolve the alleged trademark issues with the OTAs, as it did in December 2006 through the ARC Addendum. Additionally, had American notified Yahoo! of its concerns sooner, Yahoo! would have undertaken earlier the trademark policy compliance measures that it began implementing in December 2006. Yahoo! incorporates herein by reference its response to Interrogatory 4 regarding the specific efforts undertaken to implement Yahoo!'s trademark policy in connection with the American Airlines trademarks.

Yahoo! may rely upon data, documents, and testimony provided by Yahoo!, American Airlines, or third parties in this litigation to support the facts recited herein, including, without limitation, data, documents, and testimony regarding American's participation in Yahoo!'s Sponsored Search advertising program, Yahoo!'s trademark policy and compliance procedures, the OTAs and MSEs that placed the accused Sponsor Results, and American's relationship with the OTAs and MSEs.

INTERROGATORY NO. 15:

With respect to YAHOO's Seventeenth Affirmative Defense (Privilege and Justification), set forth in its Answer in this lawsuit, state all facts that support YAHOO's averment that YAHOO was "at all times privileged and justified in taking the actions alleged in the Complaint," INCLUDING all facts supporting any conclusion by YAHOO that DEFENDANT'S or DEFENDANTS' CUSTOMERS were under license by AMERICAN AIRLINES or otherwise had AMERICAN AIRLINES' authorization for use of AMERICAN AIRLINES MARKS.


RESPONSE TO INTERROGATORY NO. 15:

Yahoo! objects to this Interrogatory as compound. Yahoo! also objects to this Interrogatory to the extent that it calls for information protected by the attorney-client privilege or attorney work product doctrine. Yahoo! further objects to the extent this Interrogatory calls for a legal conclusion. Yahoo! objects to this Interrogatory as overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence to the extent it seeks "all facts" related to Yahoo!'s Seventeenth Affirmative Defense. Subject to these and its General Objections, Yahoo! responds as follows:

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Dated: October 5, 2009

Respectfully submitted,



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MORRISON & FOERSTER LLP
425 Market Street
San Francisco, CA 94105-2482
Telephone: (415) 268-7000
Fax: (415) 268-7522

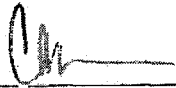
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Attorneys for Defendants
YAHOO! INC. and OVERTURE
SERVICES, INC. d/b/a YAHOO!
SEARCH MARKETING

VERIFICATION

My name is Carmen Arenal. I am the Director of Legal Services at Yahoo! Inc. ("Yahoo!"). I am authorized to make this declaration on behalf of Yahoo!. I have read Defendant Yahoo! Inc.'s Objections And Responses To Plaintiffs Third Set Of Interrogatories ("Responses"). I have personal knowledge of some, but not all, of the facts stated in the Responses. The Responses contain information based on the composite knowledge of Yahoo!, based on a reasonable investigation, and I hereby acknowledge that, based on my personal knowledge and Yahoo!'s knowledge, the facts stated in the Responses are true and correct.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 6th day of October, 2009.



Carmen Arenal

CERTIFICATE OF SERVICE

I certify that a true and correct copy of the foregoing was delivered on October 5, 2009 to Plaintiffs counsel, as follows, in accordance with the Federal Rules of Civil Procedure:

Via Electronic & Hand Delivery

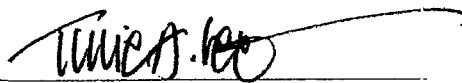
Frederick Brown
Jason B. Stavers
Gibson, Dunn & Crutcher LLP
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San Francisco, CA 94105-2933
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Lars I. Berg
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Emails: dee.kelly.2@khh.com
lars.berg@khh.com



Tillie A. Lee

B

From: Bui, Peter Trung [PeterTrung.Bui@tm.com]
Sent: Monday, January 29, 2007 5:33 PM
To: O'Reilly, Rebecca
Subject: FW: Yahoo - AA Trademarks

Here is Yahoo's response. They removed the 2 offending ads but will not remove ads that use "American" properly (according to Yahoo) in the ad copy.

From: Gita Bhatia [mailto:bhatiag@yahoo-inc.com]
Sent: Monday, January 29, 2007 10:40 AM
To: Bui, Peter Trung
Cc: Peter Hagerty; Elizabeth Gardenhire
Subject: RE: Yahoo - AA Trademarks

Hi. No, they haven't. I think you might be confusing our trademark guideline with Google's. Listings that qualify for branded terms under our Trademark Guideline must contain the branded term in the title and description.

Gita Bhatia | Account Manager | Central Region
Direct: 214-754-1139 | Cell: 469-426-4123 | Fax: 818-524-3001 |
bhatiag@yahoo-inc.com | Yahoo IM: gitabhatiasm
YAHOO! Search Marketing | searchmarketing.yahoo.com | Nasdaq: YHOO

From: Bui, Peter Trung [mailto:PeterTrung.Bui@tm.com]
Sent: Monday, January 29, 2007 9:33 AM
To: Gita Bhatia
Cc: Peter Hagerty; Elizabeth Gardenhire
Subject: RE: Yahoo - AA Trademarks

Have ads that contain "American" in the ad copy been removed also?

From: Gita Bhatia [mailto:bhatiag@yahoo-inc.com]
Sent: Monday, January 29, 2007 9:27 AM
To: Bui, Peter Trung
Cc: Peter Hagerty; Elizabeth Gardenhire
Subject: RE: Yahoo - AA Trademarks
Importance: High

Yes – actually I received an email last night from our trademark team.

All non-compliant listings have now been removed

Thank you.
Gita

Gita Bhatia | Account Manager | Central Region
Direct: 214-754-1139 | Cell: 469-426-4123 | Fax: 818-524-3001 |
bhatiag@yahoo-inc.com | Yahoo IM: gitabhatiasm
YAHOO! Search Marketing | searchmarketing.yahoo.com | Nasdaq: YHOO

From: Bui, Peter Trung [mailto:PeterTrung.Bui@tm.com]
Sent: Monday, January 29, 2007 9:03 AM
To: Gita Bhatia
Cc: Peter Hagerty; Elizabeth Gardenhire
Subject: RE: Yahoo - AA Trademarks

Do you have a final update yet?

From: Gita Bhatia [mailto:bhatiag@yahoo-inc.com]
Sent: Tuesday, January 23, 2007 6:07 PM
To: Bui, Peter Trung
Cc: Peter Hagerty; Elizabeth Gardenhire
Subject: RE: Yahoo - AA Trademarks

We'll have a final update in a day or two. Our legal team is handling this and cannot give us a definitive answer just yet, however, it is being scrubbed accordingly.

Gita Bhatia | Account Manager | Central Region
Direct: 214-754-1139 | Cell: 469-426-4123 | Fax: 818-524-3001 |
bhatiag@yahoo-inc.com | Yahoo IM: gitabhatiaysm
YAHOO! Search Marketing | searchmarketing.yahoo.com | Nasdaq: YHOO

From: Bui, Peter Trung [mailto:PeterTrung.Bui@tm.com]
Sent: Tuesday, January 23, 2007 6:04 PM
To: Gita Bhatia
Subject: RE: Yahoo - AA Trademarks

Can you give us an update on this request please?

From: Gita Bhatia [mailto:bhatiag@yahoo-inc.com]
Sent: Thursday, January 18, 2007 7:14 PM
To: Bui, Peter Trung
Subject: RE: Yahoo - AA Trademarks

I'll submit this to my trademark team right now to review

Gita Bhatia | Account Manager | Central Region
Main: 214-754-1139 | Cell: 469-426-4123 | Fax: 818-524-3001 |
bhatiag@yahoo-inc.com | Yahoo IM: gitabhatiaysm
YAHOO! Search Marketing | searchmarketing.yahoo.com | Nasdaq: YHOO

From: Bui, Peter Trung [mailto:PeterTrung.Bui@tm.com]
Sent: Thursday, January 18, 2007 7:13 PM
To: Gita Bhatia
Subject: Yahoo - AA Trademarks

Good evening Gita,

The client would like to know if some of the following ads can be removed as violations of Yahoo's existing trademark policy.

Furthermore, the client would like to know if ads that have "American" in the copy can be removed because they refer to "American Airlines".

Screenshot # 1 -- keyword: aa.com

The 2nd ad -- mootravel.com - does not have the product "AA.com", so the client feels it should be removed.



Screenshot # 2 – keyword: aa com

The 2nd ad on the right hand side – webtravelmanager.com -does not have the product "AA.com", so the client feels it should be removed.

1013012007

Confidential-Access Limited by Confidentiality Agreement

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AAG-00301449

x

This message contains information which may be confidential and privileged. Unless you are the intended recipient (or authorized to receive this message for the intended recipient), you may not use, copy, disseminate or disclose to anyone the message or any information contained in the message. If you have received the message in error, please advise the sender by reply e-mail, and delete the message.

Thank you very much

<> <>

This message contains information which may be confidential and privileged. Unless you are the intended recipient (or authorized to receive this message for the intended recipient), you may not use, copy, disseminate or disclose to anyone the message or any information contained in the message. If you have received the message in error, please advise the sender by reply e-mail, and delete the message.

Thank you very much

This message contains information which may be confidential and privileged. Unless you are the intended recipient (or authorized to receive this message for the intended recipient), you may not use, copy, disseminate or disclose to anyone the message or any information contained in the message. If you have received the message in error, please advise the sender by reply e-mail, and delete the message.

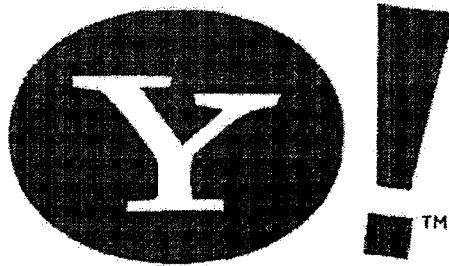
Thank you very much.

This message contains information which may be confidential and privileged. Unless you are the intended recipient (or authorized to receive this message for the intended recipient), you may not use, copy, disseminate or disclose to anyone the message or any information contained in the message. If you have received the message in error, please advise the sender by reply e-mail, and delete the message.

Thank you very much.

<> <>

C



Policy Clarification

Content and Product Policy Team

April 13, 2007

CONFIDENTIAL INFORMATION

YAH-AA 0376989



TID Specificity: Brand Names

The creative must retain the brand AND be specific to the product/service.

- In some cases, the brand is the product.

Example: PlayStation

- If the keyword contains two brands by the same owner, it is acceptable to include only one of the brands in the creative.

Examples:

1) ST: apple ipod

Acceptable Creatives: Apple Music Player / Apple iPod / iPod

2) ST: toyota tundra

Acceptable Creatives: Save on Toyota Trucks | All Toyota Models / Tundra for Sale

- In the following cases, if the keyword contains two brands, both brands need to be in the creative.

1) Competing Brands – ST: audi bmw

2) Partnership – ST: sprint lg phone

3) User Confusion – ST: sony aquos



Unacceptable Examples

Unacceptable creatives for branded keywords:

- 1) ST: cheap bmw wheels
One-Stop Internet Wheels
Research, shop and buy from your local store.
The creative is product-specific, but must also include the brand (BMW).

- 2) ST: visa rewards mastercard
Visa Rewards Credit Cards
A free rewards program. Earn points with your purchases.
Visa and MasterCard are competing brands and both have to be represented in the creative.

- 3) ST: cingular apple iphone
Save on Phones and Plans
Free **Cingular** phone with a plan. Check out all of your options.
Cingular is in partnership with Apple and both brands should be represented in the creative.



Ringtone Sites

- The presence of a brand holder's logo alone is not sufficient content.
- For **brand** modified terms, the landing page must clearly state that the user will be able to receive the service offered by the **brand** owner.
Ex: "Get Verizon Ringtones Here"
- Decline sites that have an open-ended query such as "Looking for Verizon Ringtones?"
- Ringtone sites may not be granted brand names without an acceptable modifier
For example, the following terms are NOT acceptable: "Verizon," "Verizon.com" and "Verizon Cell Phone."

Yahoo! Confidential

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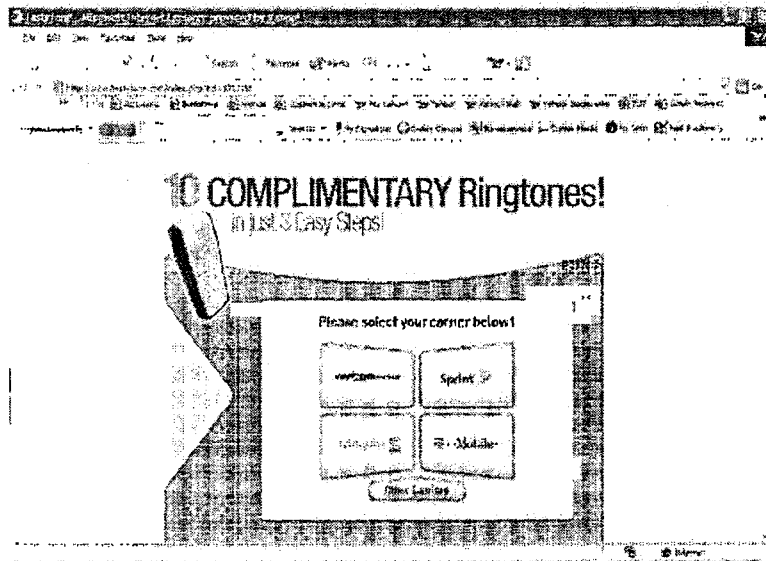
CONFIDENTIAL INFORMATION

YAH-AA 0376992



Example #1

Site does NOT meet guideline for any branded terms. Logos alone are not sufficient content.



Yahoo! Confidential

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CONFIDENTIAL INFORMATION

YAH-AA 0376893



Example #2

Site DOES meet guideline. Wording on landing page is clear about the branded service.

ST: verizon ringtone

The screenshot shows a web browser window with the address bar displaying "http://www.hiptufie2.com/". The page content includes the following elements:

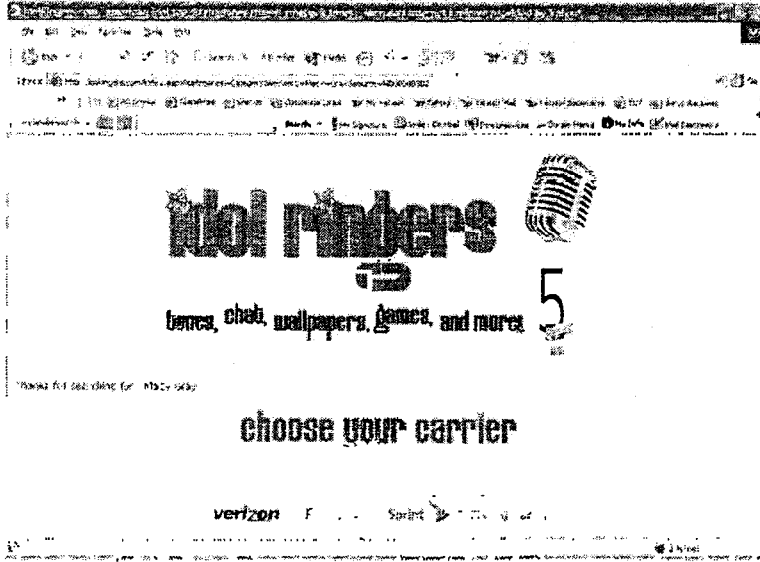
- Header:** "HIPTUFIE2.com" with a small triangle logo.
- Main Text:** "Download Your Complimentary Verizon Wireless Ringtones Now: Select your carrier:"
- Carrier Selection:** A grid of logos for various carriers: Sprint, Nextel, Cingular, Verizon, and AT&T.
- Other Carriers:** A section titled "Other Carriers" with a list of additional carrier logos.
- Footer:** "Yahoo! Confidential" on the left and the number "6" on the right.



Example #3

- Site does NOT meet guideline. "Thanks for searching" is not sufficient content.

ST: macy gray



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