

ORIGINAL

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

FILED
U.S. DISTRICT COURT
NORTHERN DIST. OF TX.
FT. WORTH DIVISION

2009 NOV 18 PM 4:19

CLERK OF COURT

AMERICAN AIRLINES, INC.,

Plaintiff,

-v.-

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

Defendants.

No. 4:08-CV-626-A

WRITTEN REPORT ON FACE-TO-FACE SETTLEMENT CONFERENCE

Pursuant to the Court's March 13, 2009 Order Setting Schedule and Providing Special Pretrial Instructions, the parties conducted a face-to-face settlement conference on November 13, 2009. The following people were present in person at that settlement conference:

For American Airlines

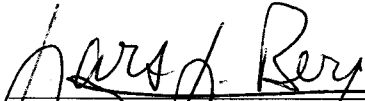
- Fred Brown – lead counsel
- Derek DeCross – Managing Director of Interactive Marketing (client representative)
- Donald Broadfield – in-house counsel
- Dee J. Kelly, Jr., co-counsel
- Lars L. Berg, co-counsel

For Yahoo, Inc. and Overture Services, Inc. dba Yahoo! Search Marketing

- Michael Jacobs – lead counsel
- Kevin Kramer – Associate General Counsel for IP Litigation Conflicts (client representative)
- Laura Covington – in-house counsel
- David Chappell – co-counsel
- Scott Fredricks – co-counsel

No progress towards settlement was made, and the parties are further apart than they had been previously. The prospects for settlement are uncertain.

Respectfully submitted,

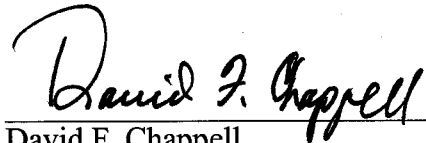


Dee J. Kelly
State Bar No. 11217000
Dee J. Kelly, Jr.
State Bar No. 11217250
Lars L. Berg
State Bar No. 00787072
Michael D. Anderson
State Bar No. 24031699
KELLY HART & HALLMAN LLP
201 Main Street, Suite 2500
Fort Worth, Texas 76102
Phone: (817) 332-2500
Fax: (817) 878-9280

Of Counsel:

Howard S. Hogan
GIBSON, DUNN & CRUTCHER LLP
1050 Connecticut Avenue, N.W.
Washington, D.C. 20036
Phone: (202) 955-8500
Fax: (202) 467-0539
Frederick Brown
George A. Nicoud III
Jason B. Stavers
GIBSON, DUNN & CRUTCHER LLP
555 Mission Street, Suite 3000
San Francisco, CA 94105
Phone: (415) 393-8200
Fax: (415) 986-5309

**ATTORNEYS FOR
AMERICAN AIRLINES, INC.**



David F. Chappell
Texas State Bar No. 04141000
Scott A. Fredricks
Texas State Bar No. 24012657
CANTEY HANGER LLP
Cantey Hanger Plaza
600 West Sixth Street, Suite 300
Fort Worth, Texas 76102
Telephone: (817) 877-2800
Fax: (817) 877-2807

Of Counsel:

Michael A. Jacobs (*pro hac vice*)
Lynn M. Humphreys (*pro hac vice*)
MORRISON & FOERSTER LLP
425 Market Street
San Francisco, CA 94105-2482
Telephone: (415) 268-7000
Fax: (415) 268-7522

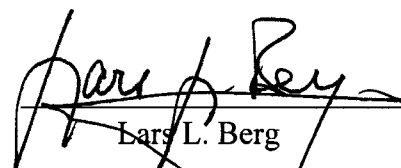
**ATTORNEYS FOR YAHOO! INC. and
OVERTURE SERVICES, INC. d/b/a
YAHOO SEARCH MARKETING**

CERTIFICATE OF SERVICE

I certify that a true and correct copy of the foregoing was delivered on November 18, 2009 to Defendant's counsel, as follows, in accordance with the Federal Rules of Civil Procedure:

David F. Chappell
Scott A. Fredricks
CANTEY HANGER LLP
Cantey Hanger Plaza
600 West Sixth Street, Suite 300
Fort Worth, Texas 76102
(via fax and email)

Michael A. Jacobs
Lynn M. Humphreys
MORRISON & FOERSTER LLP
425 Market Street
San Francisco, CA 94105-2482
(via fax and email)



Lars L. Berg