

# Exhibit 12

**quinn emanuel trial lawyers | san francisco**

50 California Street, 22nd Floor, San Francisco, California 94111-4788 | TEL: (415) 875-6600 FAX: (415) 875-6700

WRITER'S DIRECT DIAL NO.  
**(415) 875-6316**

WRITER'S INTERNET ADDRESS  
**[megkammerud@quinnemanuel.com](mailto:megkammerud@quinnemanuel.com)**

March 2, 2012

Ken Brothers  
Dickstein Shapiro LLP  
1825 Eye Street NW  
Washington, DC 20006

Re: I/P Engine, Inc. v. AOL, Inc. et al.

Dear Ken:

I write to confirm our meet and confer telephone conference on March 1, 2012.

In regards to I/P Engine's response to Interrogatory No. 3, you confirmed that although your claim that Google has failed to state a prima facie case of non-obviousness is one basis for objecting to this Interrogatory, you are not refusing to respond or withholding any factual information based on this objection. You indicated that you believe the Interrogatory calls for expert discovery, but you have agreed to supplement your response to include underlying facts related to secondary considerations of non-obviousness in the next 30 days.

Interrogatory No. 5 asks I/P Engine to identify any product or software that practices or embodies any claim of the patents-in-suit, including products owned by I/P Engine, Lycos, or WiseWire. You stated that I/P Engine had provided its response to this Interrogatory and that the fact that the response does not mention Lycos, WiseWire or I/P Engine products "is part of that response." You agreed that by not listing any products from Lycos, WiseWire, or I/P Engine in the response, I/P Engine has confirmed that it does not believe any products from those entities practice the claims of the patents.

We discussed the parties' privilege logs and will address that issue under separate cover.

**quinn emanuel urquhart & sullivan, llp**

LOS ANGELES | 865 South Figueroa Street, 10th Floor, Los Angeles, California 90017-2543 | TEL (213) 443-3000 FAX (213) 443-3100  
NEW YORK | 51 Madison Avenue, 22nd Floor, New York, New York 10010-1601 | TEL (212) 849-7000 FAX (212) 849-7100  
SILICON VALLEY | 555 Twin Dolphin Drive, 5th Floor, Redwood Shores, California 94065-2139 | TEL (650) 801-5000 FAX (650) 801-5100  
CHICAGO | 500 W. Madison Street, Suite 2450, Chicago, Illinois 60661-2510 | TEL (312) 705-7400 FAX (312) 705-7401  
LONDON | 16 Old Bailey, London EC4M 7EG, United Kingdom | TEL +44(0) 20 7653 2000 FAX +44(0) 20 7653 2100  
TOKYO | NBF Hibiya Bldg., 25F, 1-1-7, Uchisaiwai-cho, Chiyoda-ku, Tokyo 100-0011, Japan | TEL +81 3 5510 1711 FAX +81 3 5510 1712  
MANNHEIM | Erzbergerstraße 5, 68165 Mannheim, Germany | TEL +49(0) 621 43298 6000 FAX +49(0) 621 43298 6100

You stated that you will not further supplement I/P Engine's infringement contentions despite the inadequacies we identified in our letter on February 27, 2012. We noted that we do not believe I/P Engine's contentions mention collaborative filtering and asked whether it was your position that the patents do not require collaborative filtering. You stated that you believe that you have identified what it is within Google's advertising system that meets the requirement for collaborative filtering in the patent claims. We asked that you point out where in the contentions you think you have pointed to collaborative filtering. You refused to say. You also refused to substantively engage with us as to any of the other issues we raised as to Plaintiff's contentions in our February 27 letter.<sup>1</sup>

You also confirmed that you refuse to supplement any of your contentions on Google Search or IAC ASL despite the fact that we have now provided technical documents as to them. Here too, you provided no justification other than stating you felt your contentions were appropriate.

We find Plaintiff's refusal to engage us on our concerns regarding the contentions as to AdWords, Search, and ASL now that you have the technical information very troubling. They only further show, as we have said before, that Plaintiff has no good faith basis to proceed under this case as required by Rule 11. As you have no basis to support your claims, we ask that Plaintiff confirm it will drop these claims by March 7. Otherwise we will proceed to compel and complete infringement contentions and will raise these issues with the Court.

In response to our questions about documents in Hudson Bay's possession, you stated that Hudson Bay has few, if any, documents that have not already been produced in this case. You confirmed that Hudson Bay would continue to investigate, though, and was "generally agreeable" to producing unique documents that are not privileged. We asked that I/P Engine propose a protocol for this production, and you stated, "We're doing what we need to do" without offering any additional explanation.

We stated that we have never believed that there was an agreement not to collect and produce emails. We confirmed that we are collecting emails as part of custodial searches and expect that I/P Engine and Hudson Bay will do the same. You agreed to further investigate this issue and provide more information as well as a proposal, with timeframes, on how to proceed by the middle of next week.

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<sup>1</sup> As we indicated, the lack of clarity as to Plaintiff's reading of the patents prevents us from being able to supplement our invalidity contentions, if needed, based on them. As we have no further clarity on Plaintiff's contentions, beyond the fact that Plaintiff agreed that collaborative filtering is required by the claims (which was somewhat helpful), there is no further art for us to identify in our invalidity contentions today.

We again explained that the search term (“Relevance”) and (“Inventory”) or “Ads Coverage”) retrieves too high a percentage of hits when run through custodial documents. Mr. Monterio stated that I/P Engine would like documents including the term “relevance” as used in reference to Quality Score and as referenced in a specific Google document and a video featuring Hal Varian. We explained that we had already agreed to include “Quality Score” in our search term list, which would likely encompass any documents referencing “relevance” in connection with Quality Score. Nonetheless, I/P Engine insisted that it was necessary to include a specific “relevance” search term given the Google document and Hal Varian video. Mr. Monterio agreed to send me a copy of the document he was referencing. After receiving the document, we will work with you to draft a search term that returns documents relevant to your concerns without retrieving too high a percentage of hits.

We are continuing to review and consider the proposed terms you stated were included in I/P Engine’s supplemental contentions and will provide an update on our review of these terms next week. To the extent that you are aware of particular documents supporting your request to include any of these search terms, please identify these documents to us in order to speed our review of the terms and to support creation of the most comprehensive proposal of related search terms.

In regards to Google’s production of certain documents from prior AdWords litigations, we will have Google’s non-infringement reports and expert deposition transcripts processed for production next week. We are working with certain third parties to account for their sensitivity to producing confidential information in damages reports and related expert depositions. We sent the last notice letter on this subject on February 24, so the third party recipient has until March 9 to respond. We have collected the relevant damages documents and will send them for processing immediately after March 9. Accordingly, we anticipate producing them the week of March 12. We also anticipate producing relevant portions of the Bright Response trial transcript at that time.

You again proposed that the parties stipulate that there are no relevant non-infringement differences between IAC’s, Gannett’s and Target’s implementation of AdWords and Google’s own implementation. You stated that such a stipulation would obviate the need for technical productions from the non-Google defendants and for certain Rule 30(b)(6) depositions, and would greatly reduce the scope of custodial production. We will review I/P Engine’s supplemental contentions and attempt to respond to this proposal next week.

You asked that we consider a similar stipulation with regards to revenue and damages. We will consider this option as well.

In regards to the parties’ ESI agreement, we will respond under separate cover.

We discussed language in the discovery stipulation concerning supplementation of contentions following the issuance of a Markman order. We will send proposed language clarifying this issue.

As always, we remain willing to meet and confer to resolve any discovery issues, and hope that you similarly remain willing to work together on these issues in a timely and efficient manner.

Very truly yours,

A handwritten signature in blue ink, reading "Margaret P. Kammerud". The signature is written in a cursive style with a long horizontal flourish at the end.

Margaret P. Kammerud