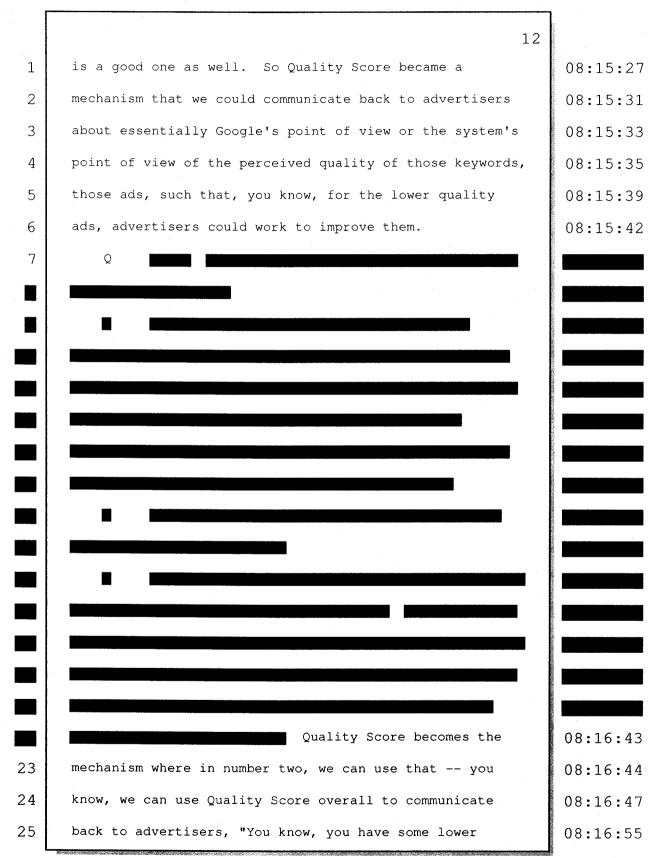
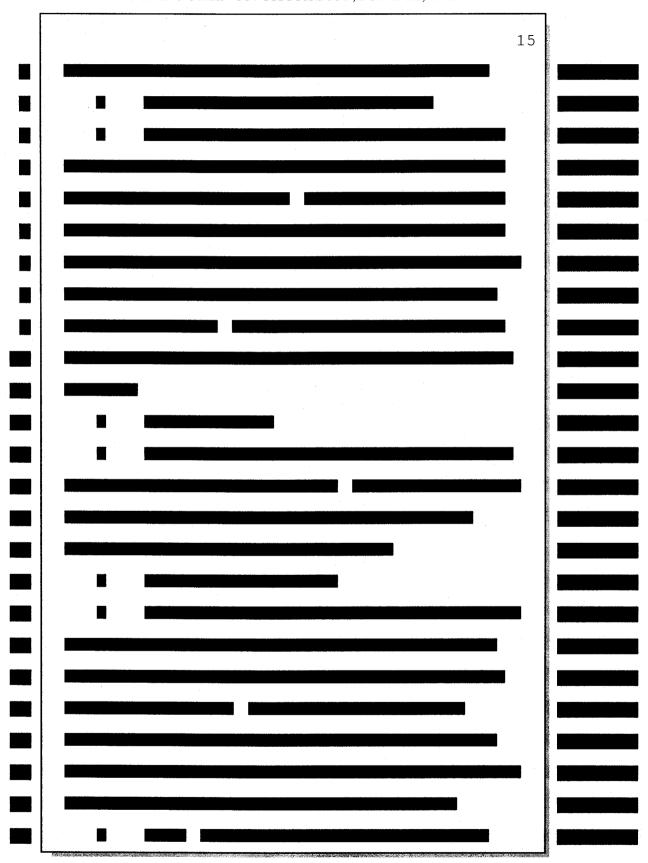
EXHIBIT 27

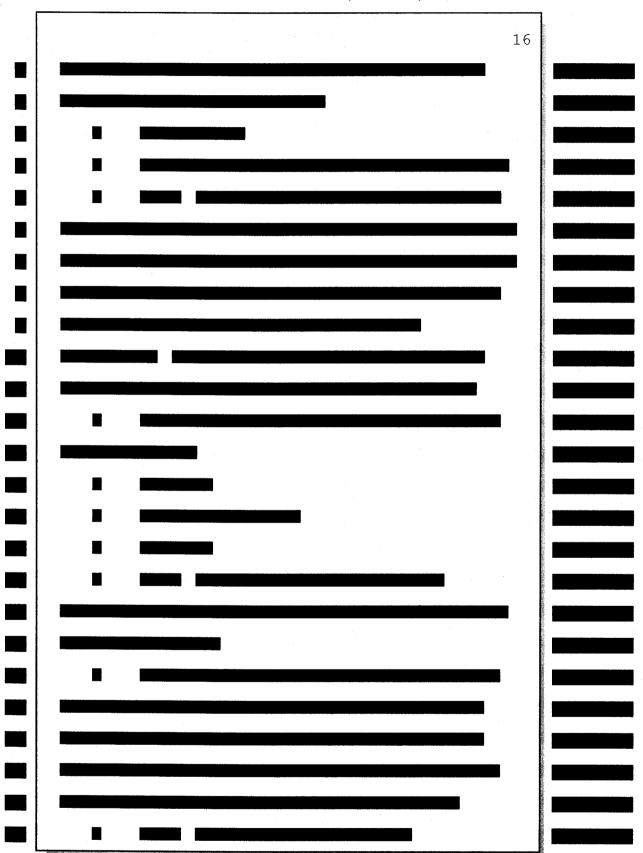
		1
1	UNITED STATES DISTRICT COURT	
2	EASTERN DISTRICT OF VIRGINIA	
3	NORFOLK DIVISION	
4	x	
5	I/P ENGINE, INC., :	
6	Plaintiff, : Civil Action No.	
7	v. : 2:11-cv-512	
8	AOL, INC., et al.,	
9	Defendants. :	
0	x	ε
1		
L 2	HIGHLY CONFIDENTIAL - OUTSIDE COUNSEL ONLY	
13	Videotaped Deposition of GOOGLE, INC.,	
4	By and through its Corporate Designee,	
.5	JONATHAN GLEN ALFERNESS	
-6	Thursday, June 21, 2012	
. 7	8:09 a.m.	
8_8		
. 9		
20		
21		
22		
23	Job No.: 21657	
24	Pages: 1 - 336	
25	Reported by: Pua McVay, CSR 12868	

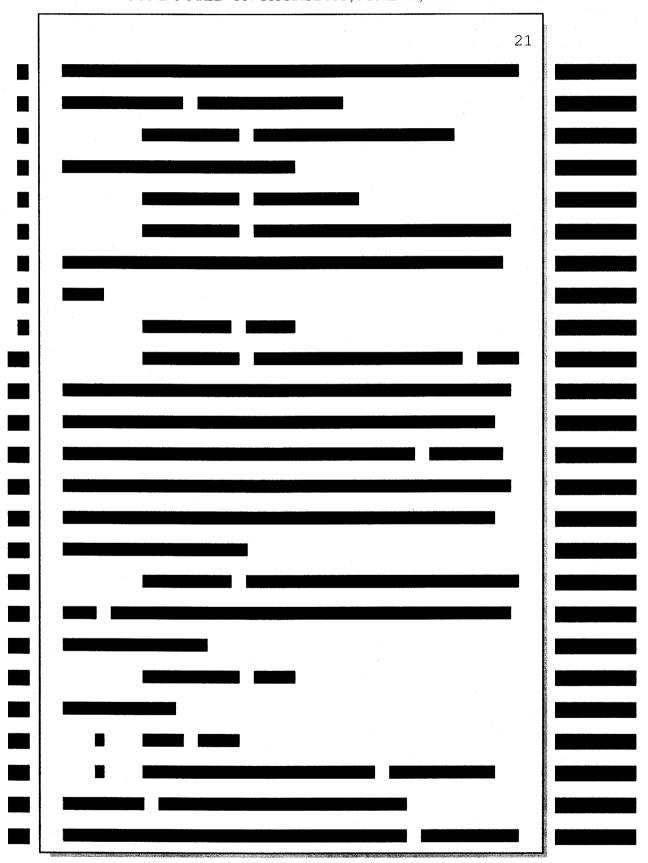


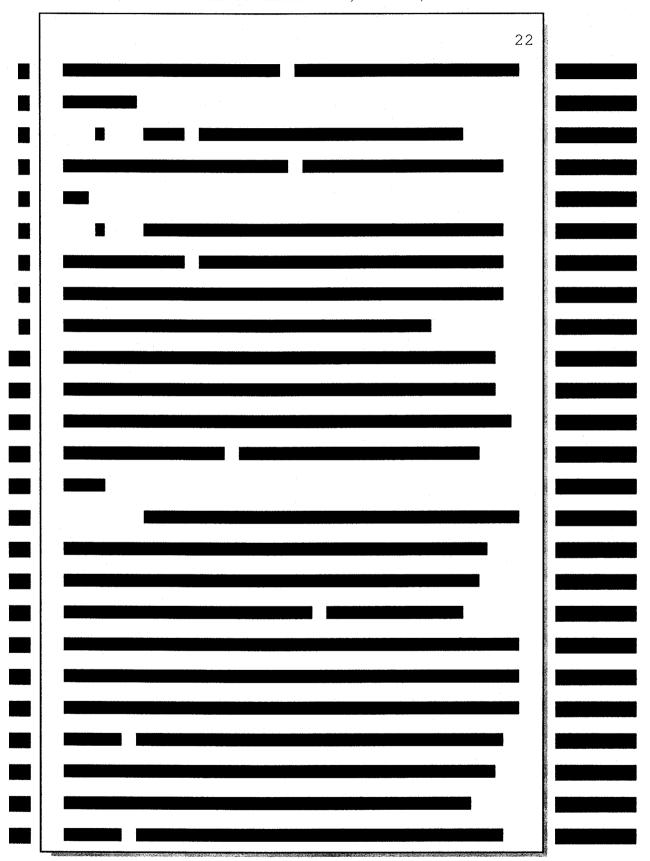
	13	
,1	quality ads in your campaign in your account. Those ads	08:16:58
2	may or may not be serving because they're of low quality.	08:17:02
3	Therefore, you know, here's a point or two. The ads in	08:17:05
4	your account that aren't up to Google's standards, you	08:17:08
5	should work to improve them."	08:17:11
6	Q	
-		
_		

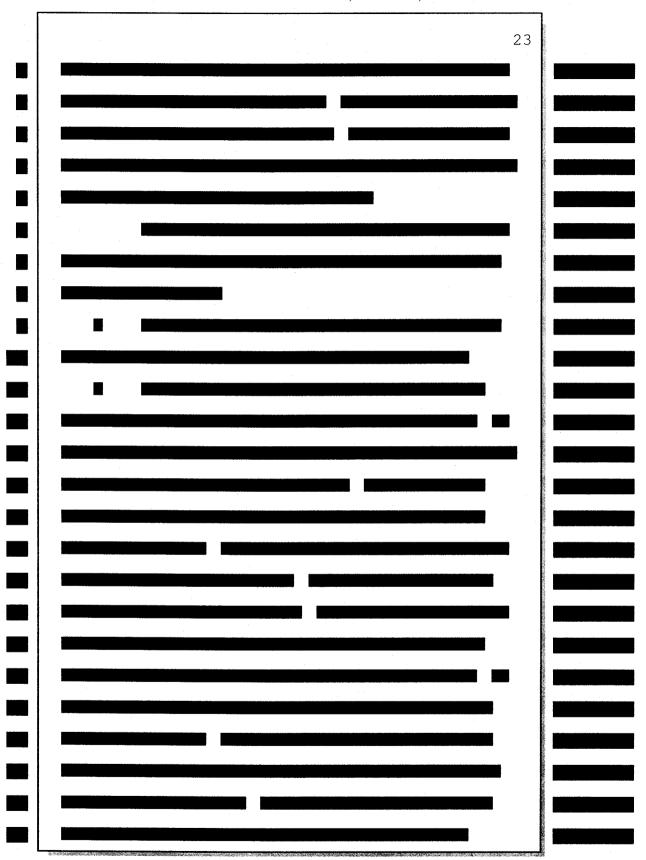
Q	
is	08:1
that Quality Score is primarily this thing that shows up	08:1
in the AdWords front end, the interface that advertisers	08:1
come to to interact with AdWords; and again, primarily a	08:1
communication vehicle back to advertisers, right? And	08:1
we've progressed so now Quality Scores are a numeric	08:1
range from 1 to 10. I would say also in that	08:
communication bundle there are things where we talk to	08:
advertisers about more actionable metrics, like first	08:
page bid, for example.	08:1
What I think you're getting at is from the	08:1
perspective of how we communicate to advertisers in the	08:1
Help Center documentation in some of our marketing	08:1
material.	

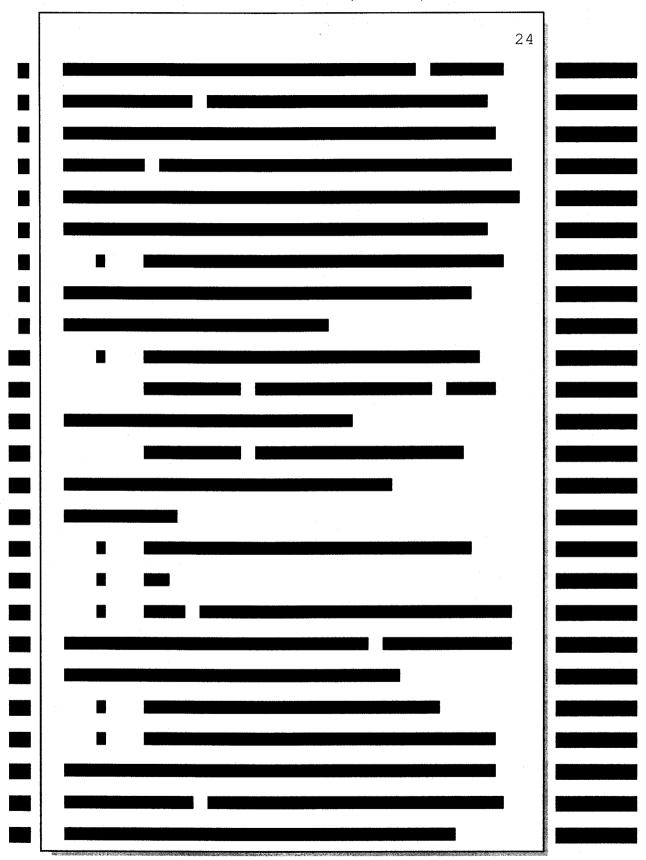


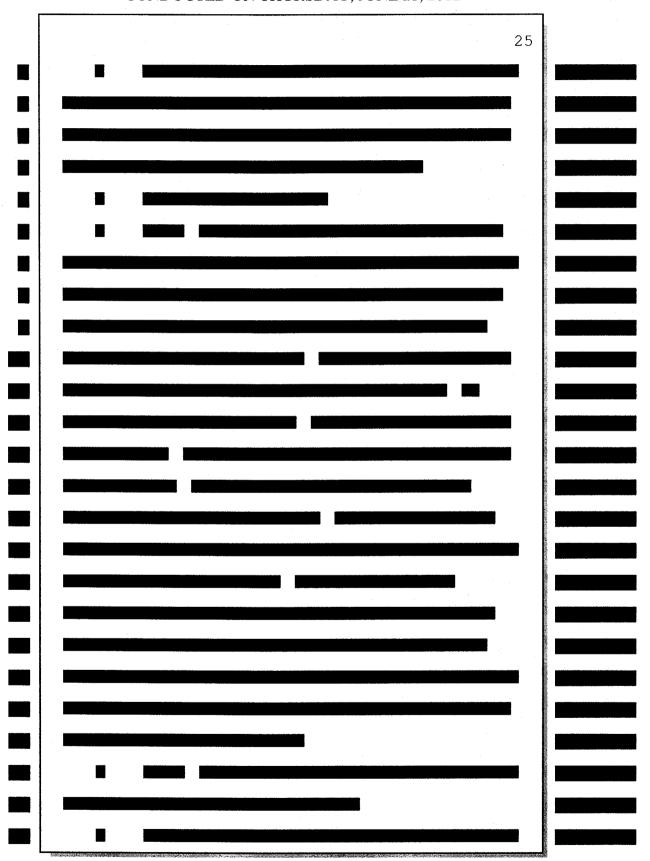


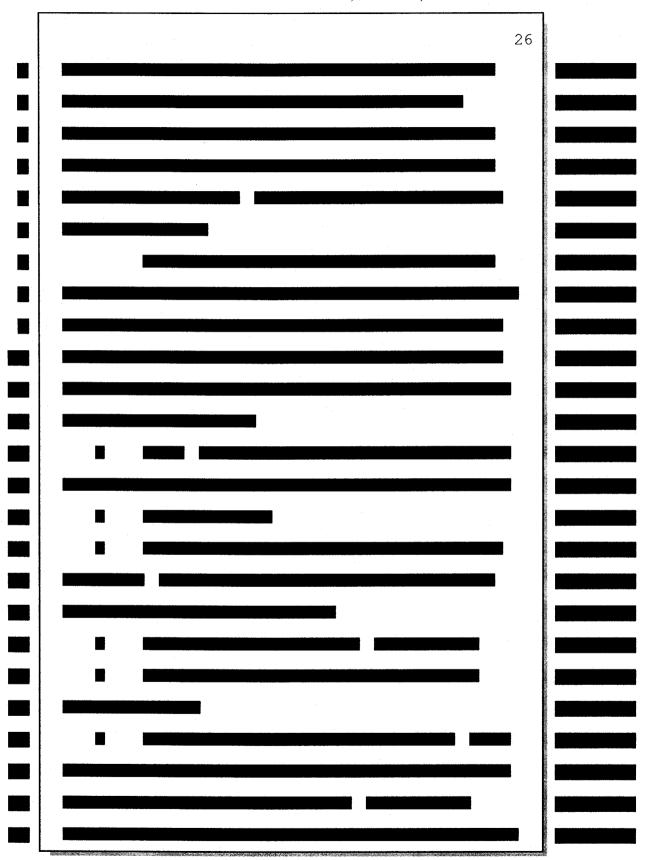












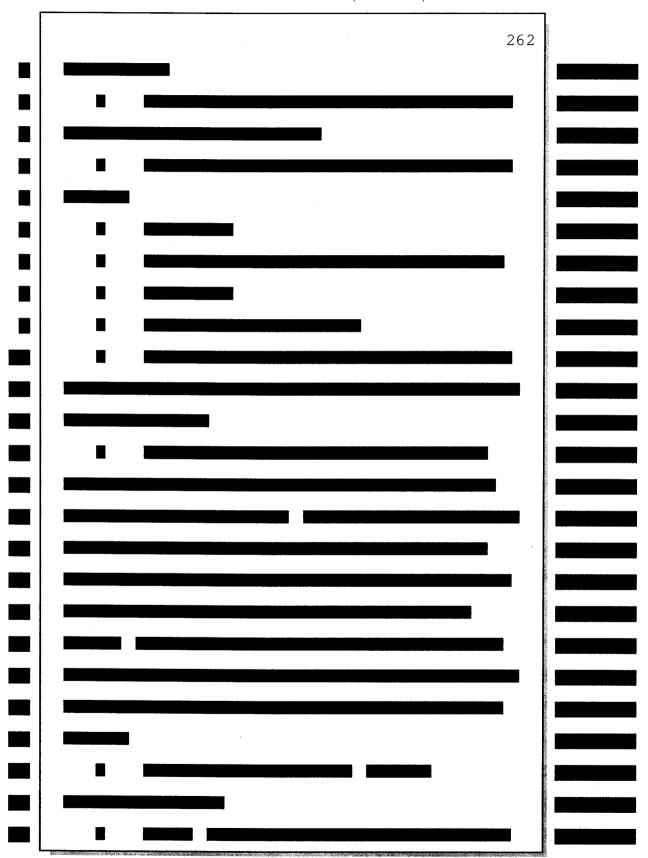
	108	
1	A Yeah, I mean at a high level so the title	11:43:12
2	helps. It's the this is a printout screen capture, so	11:43:17
3	to speak, of a page of the Google AdWords Help Center.	11:43:23
4	Yeah.	11:43:34
5	Q Okay. It also describes Quality Score for Ad	11:43:34
6	Rank. What does that mean, Quality Score for Ad Rank on	11:43:40
7	Google?	11:43:45
8	A So, again, these are documents these are	11:43:46
9	help documents that try to at a high level explain to our	11:43:49
10	advertisers how the search ad system works both for	11:43:54
11	purposes of just transparency with respect to the	11:43:58
12	advertisers but also so that it helps with respect to	11:44:02
13.	alignment about, you know, purposes of advertisers	11:44:06
14	optimizing their ads and understanding the types of	11:44:11
15	things that we're looking for on Google. So we talk to	11:44:15
16	advertisers about the auction. And when we talk to them	11:44:20
17	about the auction, we talk about ranking. And	11:44:24
18	essentially the way that we think of your overall rank is	11:44:28
19	being a you know, a simple multiplication of the	11:44:34
20	advertiser's CPC bid and, as we label here, Quality	11:44:39
21	Score. What it is in reality is, you know, a CPC bid.	11:44:43
22	So the advertiser's bid times the actual predicted	11:44:50
23	click-through rate for that ad.	11:44:55
24	Q Now I'm going to try to focus your attention	11:44:56
25	on it says: Quality Score for Ad Rank on Google and	11:45:03

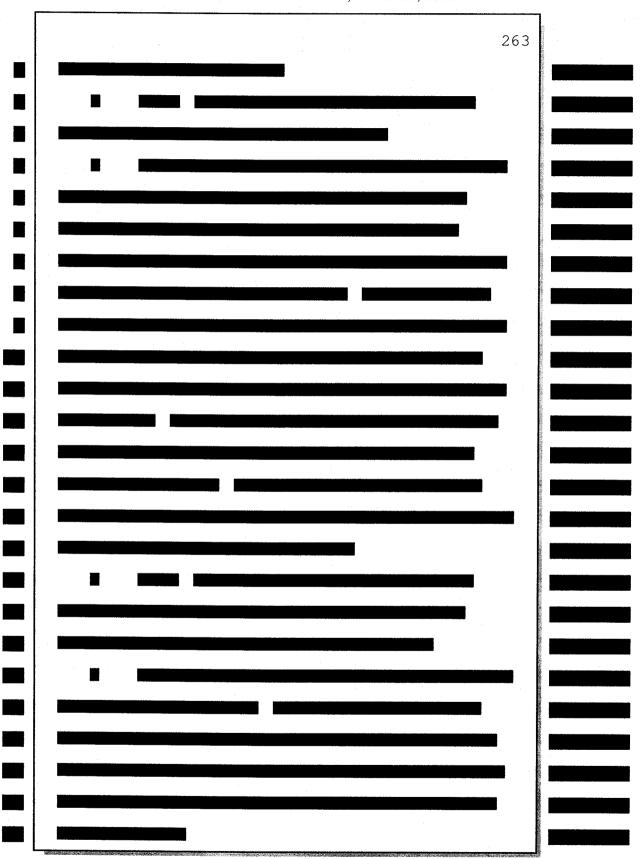
the search network. What does it mean by Ad Rank on Google and the search network? A So what they're referring to there is I believely. AdSense for search.
Google and the search network? A So what they're referring to there is I belief
A So what they're referring to there is I belie
AdSense for search.
Q Okay.
A Oh, I see we do clarify it here: If the ad i
appearing on a search network page, translate that in
your mind to mean on an AFS partner page.
Then here we say: Its CTR on that search
network partner is also considered.

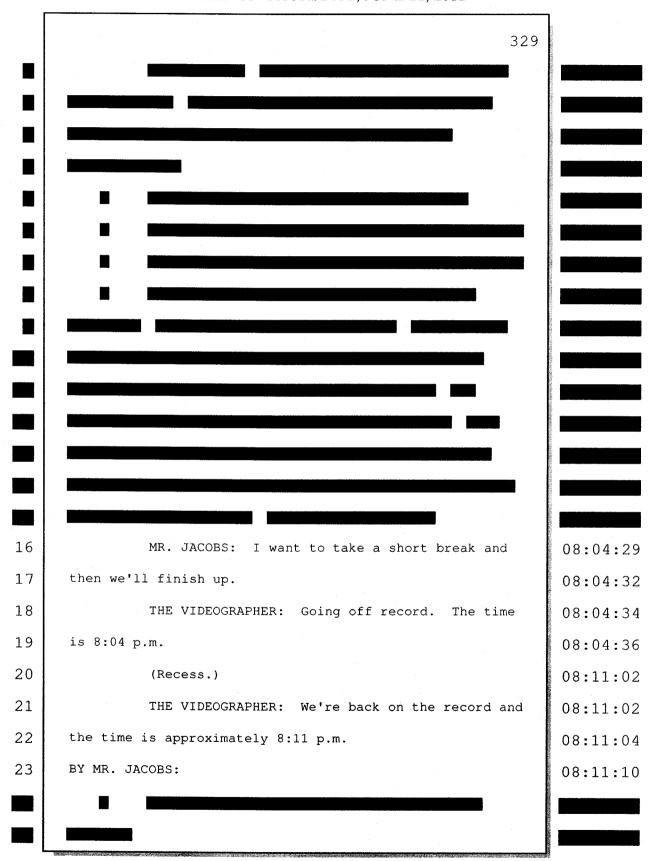
	110	
1		11:46:51
2	Q So under Quality Score where it says it's	11:46:53
3	determined by the historical click-through rate of the	11:47:07
4	keyword and matched ad on Google, what does that mean?	11:47:11
5	A So	11:47:18
6	MR. PERLSON: Objection. Form.	11:47:18
7	THE WITNESS: So what we're talking about is I	11:47:19
8	think let's see: Again an advertiser can have	11:47:21
9	multiple instances of the same keyword. The advertiser	11:47:30
10	can also have multiple creatives for that keyword.	11:47:35
11	So essentially what we're trying to tell	11:47:39
12	advertisers is it's not just the keyword that matters,	11:47:41
13	it's not just the creative that matters, but to some	11:47:44
14	extent it matters how the two are associated as well.	11:47:47
15	BY MR. JACOBS:	11:47:50
16	Q Is it an individual ad or is it something more	11:47:50
17	that it's matched to? It says: Historical click-through	11:47:53
18	rate of the keyword in the matched ad on Google.	11:47:59
19	Is that just one ad or is that something	11:48:01
20	different?	11:48:04
21	MR. PERLSON: Objection. Form.	11:48:05
22	THE WITNESS: It doesn't really to be	11:48:05
23	honest, it doesn't really make sense in technical terms I	11:48:06
24	think. I don't know why the writer chose this	11:48:09
25	terminology, matched ad.	11:48:12

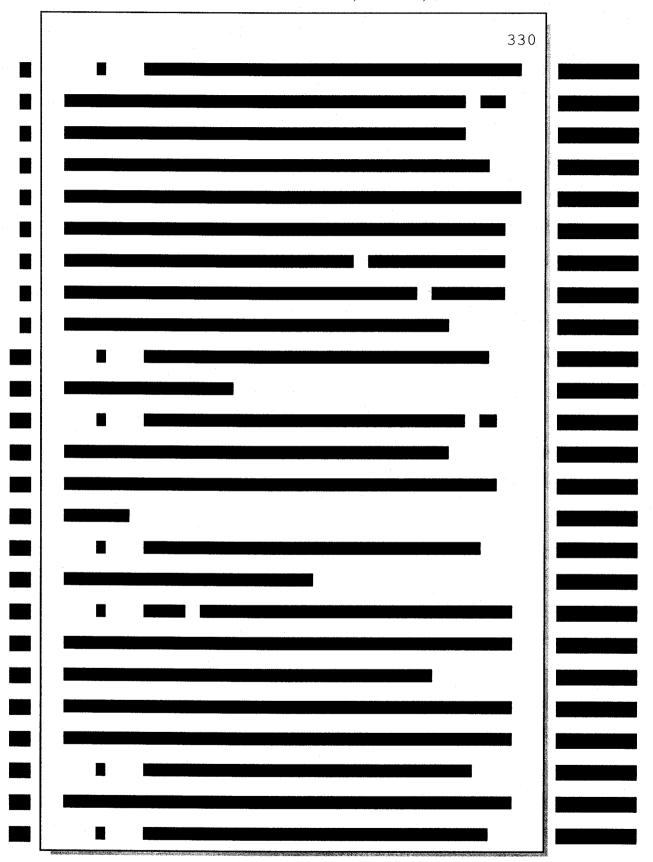
		•
	111	
1	BY MR. JACOBS:	11:48:15
2	Q How much oversight is put on introducing these	11:48:24
3	documents to the public? Is it one person writing these	11:48:28
4	or is the content of this particular page reviewed by	11:48:31
5	others at Google?	11:48:36
6	MR. PERLSON: Objection. Form.	11:48:39
7	THE WITNESS: You know, so they we try to	11:48:41
8	get it right but, you know, the amount of documentation	11:48:47
9	that we have, the amount of change with respect to our	11:48:52
10	systems, the amount of things going on, means that while	11:48:56
11	we hope that there are no inaccuracies, we don't we	11:49:00
12	are unable to I would say I personally am unable to	11:49:04
13	most of the folks who work on the product management side	11:49:09
14	will look over these things but they will not sit and	11:49:12
15	tweak and spend hours making sure that the language is as	11:49:16
16	perfect as it can be.	11:49:20
17	BY MR. JACOBS:	11:49:22
18	Q Well, in the next bullet point, it says: Your	11:49:22
19	account history, which is measured by the CTR of all the	11:49:25
20	ads and keywords in your account.	11:49:29
21	That sort of distinguishes ads in the plural	11:49:31
22	from a matched ad. What is being measured with respect	11:49:35
23	to CTR of all the ads and keywords in the account?	11:49:39
24	A So it's best to think about what we're trying	11:49:46
25	to do here again, right? We're trying to explain how	11:49:48

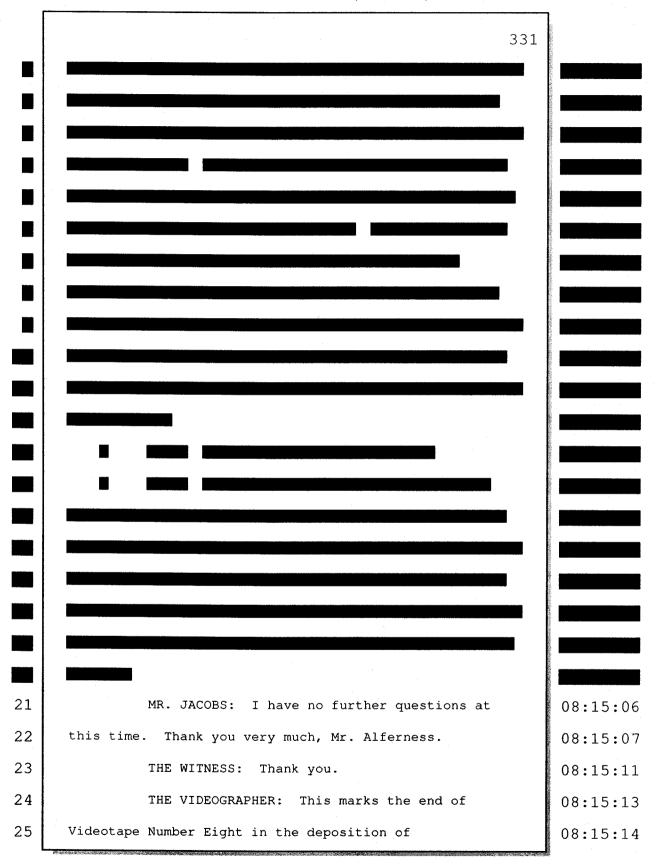
			0.61	
_			261	
1		THE WITNESS: In what way?		05:34:33
2	BY MR. JA	COBS:		05:34:34
3	Q	In any way?		05:34:34
4	A	I don't know to what extent we have		05:34:35
5	actually,	no, not directly. I don't believe so.		05:34:54
6				
	-			











	332	
1	Mr. Alferness. Going off record and the time is	08:15:17
2	approximately 8:15 p.m.	08:15:19
3 -	(Signature having not been waived, the	
4	videotaped deposition of JONATHAN GLEN ALFERNESS	
5	was concluded at 8;15 p.m.)	
6		
7		
8,		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
20		