

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF VIRGINIA  
NORFOLK DIVISION

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I/P ENGINE, INC.,		)	
	Plaintiff,	)	
	v.	)	Civ. Action No. 2:11-cv-512
		)	
AOL, INC. et al.,		)	
	Defendants.	)	
<hr/>		)	

**DECLARATION OF STEPHEN L. BECKER, PH.D. IN SUPPORT  
OF PLAINTIFF I/P ENGINE, INC.’S MOTION FOR AN AWARD OF PREJUDGMENT  
INTEREST, POST-JUDGMENT INTEREST, AND SUPPLEMENTAL DAMAGES FOR  
DEFENDANTS’ POST-DISCOVERY/PRE-VERDICT INFRINGEMENT**

I, Stephen L. Becker, Ph.D., declare as follows:

1. I submitted an expert report and provided oral testimony at trial in this matter on behalf of plaintiff I/P Engine, Inc. (“I/P Engine”). I described my qualifications in both my trial testimony and expert report. For efficiency, I will not repeat them in this declaration. I have personal knowledge of the facts set forth in this Declaration. If called upon to testify, I could and would certify competently to these facts.

2. I have been asked to calculate the prejudgment interest that would be applied to the jury’s damages award in this matter. On November 6, 2012, the jury determined that Defendants infringed I/P Engine’s ‘420 and ‘664 patents (“Asserted Patents”). D.I. 789 (Verdict Form, Nov. 6, 2012). The jury awarded I/P Engine damages of \$30,496,155, not including interest. *See id.*, at 11.

3. The revenue data upon which I based my damages analysis and calculations at trial, and upon which the jury rendered its verdict, was reported by the Defendants through September 30, 2012. Therefore, I was only able to estimate damages through this time period in my report and at trial.

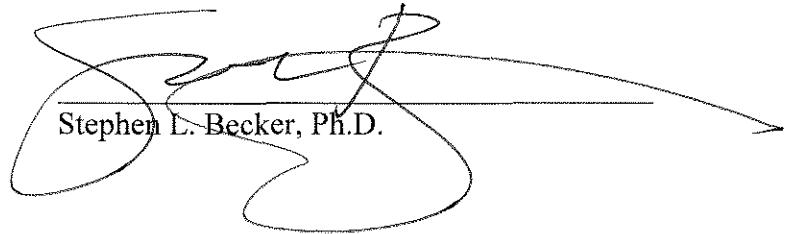
4. The methodology that I employed in deriving my prejudgment-interest calculation is as follows: (a) I determined the average prime interest rate, as reported by the Federal Reserve, that prevailed during each quarter of the period since September 15, 2011 to November 6, 2012; (b) I allocated by Defendant the proportional damages awarded by the jury to the infringing revenues, by quarter, from the third quarter of 2011 through the third quarter of 2012; (c) I then determined the number of quarters of interest that would be due on each of those amounts; and (d) using the average prime interest rate, as reported by the Federal Reserve, and compounded quarterly, I computed the amount of interest presently due on for each quarter. Using this methodology I calculated the prejudgment interest due on the damages awarded by the jury from September 15, 2011 to November 6, 2012 to be \$643,084. See Exhibit A. If requested, I will be able to provide a supplemental calculation through any subsequent judgment date.

5. I have also been asked to evaluate the calculation of damages for infringement by Defendants for the period since October 1, 2012 until the date of judgment. If provided with supplemental U.S. revenue data for the infringing products, I would be able to provide a calculation of damages for that time period using the same methodology and analysis that I testified to at trial. Specifically, I would apply the apportionment percentage of 20.9%, which is the flat going-forward apportionment percentage that I presented at trial (Trial Tr. at 820-21) to Defendants' total U.S. revenues from the accused systems, AdWords, AdSense For Search and AdSense For Mobile Search (derived from the requested accounting) to determine the

apportioned royalty base. I would then apply the reasonable royalty rate that I presented and as awarded by the jury (Trial Tr. at 766; D.I. 789 (Verdict Form, at 11)) of 3.5% rate to the apportioned royalty base. I would also calculate prejudgment interest on these supplemental damages in the manner described above.

\* \* \*

I declare under penalty of perjury that the foregoing is true and correct. Signed  
November 9, 2012 in Austin, Texas.

  
Stephen L. Becker, Ph.D.

**CERTIFICATE OF SERVICE**

I hereby certify that on this 9th day of November, 2012, the foregoing DECLARATION OF STEPHEN L. BECKER, PH.D. IN SUPPORT OF PLAINTIFF I/P ENGINE, INC.'S MOTION FOR AN AWARD OF PREJUDGMENT INTEREST, POST-JUDGMENT INTEREST, AND SUPPLEMENTAL DAMAGES FOR DEFENDANTS' POST-DISCOVERY/PRE-VERDICT INFRINGEMENT was served via the Court's CM/ECF system on the following:

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/s/ Jeffrey K. Sherwood