# **EXHIBIT 1**



# Hickernell, Robert (Vol. 01) - 07/10/2012

1 CLIP (RUNNING 00:10:13.000)



🍧 Mr. Hickernell, can you state your full name ...

#### **Hickernell Combined**

# 15 SEGMENTS (RUNNING 00:10:13.000)



# 1. PAGE 7:12 TO 7:14 (RUNNING 00:00:05.000)

- Q. Mr. Hickernell, can you state your full name for the record, please? 13
- Robert Richard Hickernell, Jr. Α.

### 2. PAGE 7:19 TO 7:20 (RUNNING 00:00:04.000)

19 Okay. Who is your current employer? Α. AOL.

#### 3. PAGE 15:19 TO 15:21 (RUNNING 00:00:09.000)

- And what is your current position? Q.
- Α. Current, I'm senior director, product
- 21 management.

#### 4. PAGE 18:11 TO 19:07 (RUNNING 00:01:21.000)

- 11 Ο. Have you heard of Search Marketplace?
- 12 Α. AOL Search Marketplace?
- 13 Ο. Yes.
- 14 Α. Yes.
- 15 And what is that? Q.
- 16 That is a white label version of Google Α.
- 17 AdWords that's, that was built for AOL by Google,
- 18 hosted by Google, maintained and managed by Google that
- allows AOL sales teams to sell search advertising to
- 20 AOL advertising clients, and that would, those
- advertisements would show up specifically on AOL 21
- 2.2 Search.
- 00019:01 Q. What does white label mean?
  - Α. To me -- it could mean different things to
  - different people. To me it means taking someone's
  - product as is and putting your brand on it and using
  - that so that you're branding it as your own but it --
  - you're not -- you don't -- you're not maintaining or 06
  - it's not your product.

# 5. PAGE 20:16 TO 21:13 (RUNNING 00:01:14.000)

- 16 Ο. Okay. When did AOL start using AOL Search
- 17 Marketplace?
- I believe it was in the 2006 time frame. 18 Α.
- And does AOL still use AOL Search 19 Q.
- Marketplace?
  - 21 Α. Yes.
- Do you know what AdSense for Search is? 22 Ο.
- 00021:01 Α. Yes.
  - 02 Q. And what is that generally?
  - 03 Α. AdSense for Search is Google's AdSense
  - 04 product that is specifically targeting advertisements 05 against search terms that an end user is inputting into
  - search box. 06

07

09

- Q. And has AOL ever used AdSense for Search?
- 0.8 Α. Yes.
  - Okay. And when did AOL start using it? Q.
- 10 I believe that was in, started in the 2002, Α.

maybe late 2002 time frame.

CONFIDENTIAL page 1

- Okay. Does AOL still use AdSense for Search? 12 Q. 13 Α. Yes.
- 6. PAGE 45:14 TO 45:17 (RUNNING 00:00:17.000)
  - 14 product generally. So let me try that again. Do you
  - 15 understand Google to be using the same ad selection and
  - 16 ranking system for AOL Search Marketplace that it uses
  - 17 for itself?

# 7. PAGE 45:19 TO 46:06 (RUNNING 00:00:33.000)

- THE WITNESS: I -- I -- I'm not a hundred
- 20 percent sure how to answer because I still think that
- 21 they're -- I'm not understanding the question very
- 22 well.
- 00046:01 BY MR. JACOBS:
  - 02 Q. Okay. Do you understand --
  - AOL Search Marketplace is, is the same as 03 Α.
  - 04 AdWords, just branded differently. So whatever is in 05 the behind the scenes in AdWords or, is in AOL Search

  - 06 Marketplace.

# 8. PAGE 46:11 TO 46:13 (RUNNING 00:02:08.000)

- Q. How do you know that AOL Search Marketplace
- 12 is the same as AdWords just branded differently?
- Α. That's what Google has, has told us.

# 9. PAGE 46:14 TO 47:01 (RUNNING 00:00:34.000)

- Do you know if they use the same ranking Q.
- 15 algorithm?
- 16 Α. I don't know anything inside of AdWords or
- 17 AOL Search Marketplace. So whatever they tell me, if
- 18 they tell me you're getting the same thing in AOL
- 19 Search Marketplace as in AdWords, I don't know if that
- 20 means that you're getting the same algorithm. I
- 21 would -- to the best of my knowledge it is yes, but I
- 22 don't know any -- I don't have any in-, knowledge of 00047:01 what is, what that algorithm is or how it's built.

# 10. PAGE 47:17 TO 47:20 (RUNNING 00:00:11.000)

- Yes. Do you understand Google to be using 17 Ο.
- the same ad selection and ranking system to power
- 19 AdSense for Search as is used on their own Google
- 20 websites?

# 11. PAGE 47:22 TO 48:10 (RUNNING 00:00:58.000)

- THE WITNESS: I -- I don't know what Google
- 00048:01 uses for its own website. I don't know if they use
  - 02 AdSense for Search, the same AdSense for Search as they
  - 03 make available to website publishers like AOL. That I
  - 04 don't know.
  - 05 BY MR. JACOBS:
  - 06 Q. Okay. Do you know of any differences between
  - the system Google uses to display ads on its search 07
  - pages and the system it provides to AOL? 0.8
  - A. I don't know what Google uses to display ads
  - 10 on its own, so I don't know of any differences.

# 12. PAGE 88:10 TO 89:06 (RUNNING 00:01:10.000)

- Okay. I'd like you to turn your attention to Ο.
- the page bearing Bates stamp AOL 01202786, also page 37 11
- 12 of the document.
- 13 A. Okay.
- 14 It says: Google measures relevance through

CONFIDENTIAL page 2

# **IP Engine vs Google**

15 quality score, in the second full paragraph, and the 16 quality score is based on several factors. Do you see 17 18 Α. Yes. 19 Q. Okay. All right. The first factor is a 20 keywords clickthrough rate. What does that mean to 21 To me that would be the, in this context a 2.2 00089:01 keywords clickthrough rate. The, the number of clicks 02 on ads that are associated with this keyword divided by 03 the number of impressions shown or the number of times the ad was shown. 05 Q. The second factor is ad text relevance. What 06 does this mean?

#### 13. PAGE 89:09 TO 89:14 (RUNNING 00:00:29.000)

- 09 Q. To you?
- 10 A. To me this would mean the, how well the, the
- 11 ad text matches or the meaning matches the keyword. I
- 12 don't know how to define relevance without using the
- 13 word relevance. I'm trying to do that, not use the
- 14 word relevance to define it.

# 14. PAGE 90:22 TO 91:02 (RUNNING 00:00:24.000)

Q. So is the document's description here on page 00091:01 37 bearing Bates stamp AOL-01202786, is that consistent 02 with your understanding of how quality score works?

#### 15. PAGE 91:08 TO 91:14 (RUNNING 00:00:36.000)

- 08 A. The page as a whole?
- 09 Q. Mm-hmm.
- 10 A. Let me read the rest, look at the rest of the
- 11 page here.
- 12 Q. Sure.
- 13 A. Yes. The full page is, is my base, is my
- 14 understanding of how that works.

TOTAL: 1 CLIP FROM 1 DEPOSITION (RUNNING 00:10:13.000)

CONFIDENTIAL page 3