

EXHIBIT 3

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
MARSHALL DIVISION**

UNILOC USA, INC., et al.,	§	
Plaintiffs,	§	
	§	Case No. 2:16-cv-00393-RWS
v.	§	LEAD CASE
	§	
AVG TECHNOLOGIES USA, INC.,	§	
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BITDEFENDER LLC,	§	Case No. 2:16-cv-00394-RWS
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UBISOFT, INC.,	§	Case No. 2:16-cv-00397-RWS
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KASPERSKY LAB, INC.,	§	Case No. 2:16-cv-00871-RWS
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SQUARE ENIX, INC.,	§	Case No. 2:16-cv-00872-RWS
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Defendants.		

UNILOC USA, INC., et al.,	§	
Plaintiffs,	§	
	§	Case No. 2:16-cv-00741-RWS
v.	§	LEAD CASE
	§	
ADP, LLC,	§	
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BIG FISH GAMES, INC.,	§	Case No. 2:16-cv-00858-RWS
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Defendants.		

DECLARATION OF DR. MICHAEL SHAMOS

I do hereby declare as follows under penalty of perjury:

I. INTRODUCTION

1. My name is Michael Shamos.
2. I am a faculty member at the Institute for Software Research in the School of Computer Science at Carnegie Mellon University. I have been retained by counsel for plaintiffs, Uniloc USA, Inc., et al. (collectively, “Uniloc”), to provide expert opinions in the above-captioned litigation. The statements of fact made in this declaration are based on my own personal knowledge, analysis and belief.

3. I receive \$600/hour for my work preparing this declaration; that compensation is not dependent on the content of my declaration or the outcome of this litigation. I have no financial interest in any of the parties to this litigation.

4. Uniloc has asked me to describe, from the position of a person of skill in the art at the time (circa December 1998), the state of the art relevant to claim 1 of Cox et al., U.S. Patent No. 6,324,578 (“the ’578 patent”). I have also been asked to form an opinion how a person of skill in the art (“POSITA”) at the time would have interpreted various portions of the ’578 patent specification, as regards that claim.

5. I am limiting my testimony to factual issues, within my field of expertise. I understand that claim construction might also involve legal issues (e.g., estoppel), but I express no opinion on such legal issues.

6. In addition to the ’578 patent itself and its prosecution history, I have also reviewed a Memorandum Opinion and Order (the “Opinion”) this Court issued, in these cases, on August 16, 2017. ’393 case, Dkt. 210. I have been asked to comment on aspects of that Opinion, as it concerns claim 1 of the ’578 patent.

7. I have limited my review to claim 1 and the specification of the ’578 patent. I did not take into account the ’578 patent prosecution history, despite having reviewed it, because the patent issued on a first office action, and thus would have no relevant prosecution history.

8. I understand the patents asserted in this case are the ’578 patent, Cox et al. U.S. Patent 7,069,293 (the “’293 patent”), Cox et al. U.S. Patent 6,510,466 (the “’466 patent”) and Cox et al. U.S. Patent 6,728,766 (the “’766 patent”) (collectively, the “Asserted Patents”).

9. I also did not consider the prosecution history of the '466 patent or the '766 patent. I was asked not to consider the prosecution histories of those patents because I was told that their consideration would raise legal issues.

II. QUALIFICATIONS

10. My background, qualifications and professional affiliations are set forth in my curriculum vitae, which is attached as Exhibit 1.

11. I received an A.B. (1968) from Princeton University in Physics; an M.A. (1970) from Vassar College in Physics; an M.S. (1972) from American University in Technology of Management, a field that covers quantitative tools used in managing organizations, such as statistics, operations research and cost-benefit analysis; an M.S. (1973), and M.Phil. (1974) and a Ph.D. from Yale University in Computer Science; and a J.D. (1981) from Duquesne University.

12. I hold the title of Distinguished Career Professor in the School of Computer Science at Carnegie Mellon University in Pittsburgh, Pennsylvania. I was a founder and Co-Director of the Institute for eCommerce at Carnegie Mellon from 1998-2004 and since 2004 I have been Director of the eBusiness Technology graduate program in the Carnegie Mellon University School of Computer Science.

13. I have taught graduate courses at Carnegie Mellon in Electronic Commerce, including eCommerce Technology, Electronic Payment Systems, Electronic Voting and eCommerce Law and Regulation, as well as Analysis of Algorithms. Since 2007 I have taught an annual course in Law of Computer Technology. I currently also teach Ubiquitous Computing and Electronic Payment Systems.

14. Since 2001 I have been a Visiting Professor at the University of Hong Kong, where I teach an annual course on Electronic Payment Systems. It is one of only a few university courses in the world on this subject.

15. From 1979-1987, I was the founder and president of two computer software development companies in Pittsburgh, Pennsylvania: Unilogic, Ltd. and Lexeme Corporation.

16. I am a co-inventor on five U.S. patents related to e-commerce, and I have served as an expert witness in over 230 cases, most of which have been patent cases involving computer software.

17. I am an attorney admitted to practice in Pennsylvania and have been admitted to the Bar of the U.S. Patent and Trademark Office since 1981. I have not been asked to offer any opinions on the law in this litigation.

18. I have previously testified in numerous cases concerning computer technology. My C.V. in Exhibit 1 contains a list of cases in which I have testified in the last ten years.

III. BACKGROUND OF THE TECHNOLOGY

19. The specification of the '578 patent deals generally with distributed computing, a domain in which software can be executed at one location for the benefit of the user at the same or at a different location. The patent identifies the following problem in distributed computing:

In the modern distributed processing computer environment, control over software, such as application programs, is more difficult than where a mainframe operated by an administrator is used, particularly for large organizations with numerous client stations and servers distributed widely geographically and utilized by a large number of users. Furthermore, individual users may move from location to location and need to access the network from different client stations at different times. The networked environment increases the challenges for a network administrator in maintaining proper licenses for existing software and deploying new or updated applications programs across the network. '578 patent, 1:45-57.

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