

EXHIBIT 3

1 I, Ronald D. Lachman, hereby declare and state as follows:

2 1. The facts herein are based upon personal knowledge, or where indicated, based on my
3 good faith belief and understanding. If called upon to do so, I would competently testify thereto.

4 2. I am one of the inventors of the technology of the TrueName patents, along with
5 David Farber. Besides the TrueName patents, I am a named inventor or co-inventor on 15 United
6 States patents, primarily involving computer networking and Internet infrastructure.

7 3. For about forty years, I have been a Technology Entrepreneur, and have co-founded
8 and sold a number of companies, predominately in the computer networking and information
9 technology infrastructure technologies. I also have extensive early stage venture capital experience
10 and have invested in over 100 private companies since 1996. I have served on over thirty boards of
11 directors, including public companies. I have also been extensively involved in the
12 commercialization of intellectual property rights associated with networking and Internet
13 infrastructure technologies. The technologies of a number of companies in which I have been
14 involved were based on patents on which I was a named inventor.

15 4. Among the companies I have been involved with include Kinetech, Inc. (“Kinetech”),
16 and Sandpiper Networks, Inc. (“Sandpiper”) which later merged with Digital Island, Inc. (“Digital
17 Island”).

18 5. In 1994, when Kinetech was formed, I was the president. In 1995, David Farber (the
19 other named inventor of the TrueName patents) and I assigned our rights in the TrueName
20 technology to Kinetech, so that Kinetech could commercialize the inventions that would be the
21 subject of the family of TrueName patents.

22 6. I also co-founded Sandpiper, and I served on its Board of Directors. We invented
23 technology to selectively replicate content at locations where it was needed and to match clients (i.e.,
24 browser users) with appropriate (oftentimes the geographically closest) content servers. The effect
25 of this invention required that CDN servers would need to be strategically placed throughout the
26 world to reduce the physical distances over which messages containing content would have to travel
27 over the Internet. Sandpiper coined the term Content Delivery Network or CDN for this technology.
28 The capital constraints for then fledgling CDN companies made it most effective that CDN servers

1 be located at Internet Service Provider (“ISP”) sites. That was because there were very few other
2 CDN companies at the time, and our company did not want to spend the money or incur the time to
3 raise capital to develop the infrastructure necessary for CDN companies to place CDN servers at
4 locations other than at ISP sites, *i.e.*, put the CDN servers geographically where there was already
5 infrastructure. Furthermore, there was also a synergy created by locating CDN servers at ISP sites
6 because this helped relieve the load on ISP long-haul lines created by the content they were
7 receiving.

8 7. The Field of Use definition that would later be agreed upon by Kinetech and Digital
9 Island, and that was limited to “many of said CDN servers being at ISP sites” was consistent with
10 the state of technology and the Internet existing in the late 1990s and in 2000 when the Agreement
11 was executed. This is because the early CDN companies in existence – Digital Island and Akamai
12 Technologies, Inc. (“Akamai”) – did not have the infrastructure to distribute content by themselves;
13 so their servers were located at ISP sites.

14 8. After co-founding Sandpiper, I played an active role at the company and worked with
15 a number of individuals who worked there. Later, in 1999, Sandpiper merged with Digital Island. I
16 became a Digital Island shareholder, and a number of individuals I had worked with at Sandpiper
17 then worked for Digital Island. I continued my relationships with these former Sandpiper employees,
18 now working at Digital Island. Furthermore, Digital Island continued on with the CDN technology
19 that we had started at Sandpiper. As such, I was very familiar with Digital Island’s CDN technology
20 in 1999 and 2000.

21 9. In 1999 and 2000 I also had relationships with several people at Akamai and I had
22 knowledge about their technology. In 2000, Akamai and Digital Island had discussions about co-
23 existing in the field of CDN technology. I was aware of these discussions given that I had co-
24 invented CDN technology, because I had relationships with individuals at both Digital Island and
25 Akamai, and because I was knowledgeable about Digital Island’s technology and had knowledge of
26 Akamai’s technology.

27 10. By the time of the Digital Island/Akamai discussions, the first TrueName patent –
28 U.S. Patent No. 5,978,791 (“791 patent”) – had issued. Based on my knowledge of Akamai’s

1 technology, I knew that Akamai's CDN technology practiced the '791 patent. I later learned that the
2 Digital Island/Akamai discussions broke down and Akamai started claiming that Digital Island
3 infringed Akamai's intellectual property rights. Akamai then obtained a U.S. patent on CDN
4 technology, and Akamai sued Digital Island shortly thereafter for infringement. Based on my
5 working relationships with individuals at Digital Island and Akamai, and based on my knowledge of
6 their CDN technology, I knew that both companies' CDN technology involved many CDN servers
7 being located at ISP sites.

8 11. As a shareholder with working relationships with Digital Island, which was facing a
9 patent infringement claim by Akamai; and as president of Kinetech, which owned the TrueName
10 patents, I believed that it made sense to consider transferring certain rights in the '791 patent from
11 Kinetech to Digital Island. This represented a way for Digital Island to better defend itself against
12 Akamai's infringement claims, and also represented a means for Kinetech to commercialize the '791
13 patent and the TrueName technology.

14 12. On behalf of Kinetech, along with Kinetech's Vice President, Ezra Goldman, I was
15 personally involved in the negotiations with Digital Island that led to the September 1, 2000 License
16 Agreement Between Kinetech and Digital Island ("Agreement"). One of the points we negotiated
17 was the scope of the rights being transferred to Digital Island, which was ultimately defined by the
18 Field of Use set forth in Schedule 1.2 to the Agreement.

19 13. During negotiations, Digital Island wanted the Field of Use to be broadly defined,
20 while Kinetech wanted it to be narrowly defined. Specifically, Kinetech wanted to define the Field
21 of Use as narrow as possible to cover only what Digital Island needed to cover its own CDN
22 business and to assert the '791 patent against Akamai. Kinetech and Digital Island negotiated back
23 and forth on the definition of the Field of Use, and it was ultimately agreed that the Field of Use
24 would be limited to a subset of CDN technology where "many of said CDN servers being at ISP
25 sites." While Mr. Goldman took the lead on writing the language for the Agreement, including the
26 definition for the Field of Use, he and I discussed the scope of the Field of Use during the
27 negotiations, including the language on which we ultimately agreed.

28

1 14. I have read the Motion of Amazon.com, Inc. and Amazon Web Services, Inc. for
2 Judgment on the Pleadings on Infringement Claims Against CloudFront (the “Motion”). I noted
3 Amazon’s criticism of the language used to define the Field of Use in the Agreement, where
4 Amazon stated: “Reasonable parties would not use such loose language to allocate patent rights.”
5 (Motion, p. 6, lines 11-12.) However, as agreed during the negotiations on the scope of the Field of
6 Use definition, and as set forth in the Field of Use definition in Schedule 1.2 to the Agreement,
7 Kinotech did not transfer the rights in the ‘791 patent to all CDN technology and businesses, but
8 instead transferred the rights for only a subset of CDN technology where “many of said CDN servers
9 being at ISP sites.”

10 15. Mr. Goldman and I, as Vice President and President of Kinotech, respectively, were
11 acutely aware of the scope of rights being transferred, and there was nothing either “unreasonable”
12 in Kinotech’s position or “loose” in the language, given the circumstances that surrounded the
13 negotiations leading to the Agreement. Indeed, I had been involved in coining the term CDN and
14 had co-invented CDN technology several years earlier. Accordingly, the language defining the Field
15 of Use in the Agreement clearly reflects that Kinotech was transferring rights to only a subset of
16 CDN technology. In large measure, the “many of said CDN servers being at ISP sites” limitation on
17 the Field of Use was my desire to provide Digital Island with the narrowest scope of rights possible
18 in order for Digital Island to run its own CDN business and also for Digital Island to effectively
19 litigate with Akamai, while simultaneously not hampering Kinotech in its future
20 endeavors/operations. Furthermore, I believed that CDN technology would become adopted over
21 time and that future CDNs would not need to locate many of the CDN servers at ISP sites. In fact,
22 this is what happened over the last almost twenty years.

23 16. That the scope of the definition of the Field of Use was limited only to rights
24 sufficient for Digital Island to assert patent infringement against Akamai (and for Digital Island to
25 run its own CDN business) is confirmed by the fact that, shortly after the Agreement was executed,
26 Digital Island sued Akamai for infringement of the ‘791 patent. Furthermore, I understand that the
27 limited scope of the definition of the Field of Use applies to Level 3, LLC’s CDN business today.

28

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