

IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF TEXAS  
TYLER DIVISION

SIPCO, LLC, and IP CO, LLC  
(d/b/a INTUS IQ),

Plaintiffs,

v.

Civil Action No. 6:15-cv-907

EMERSON ELECTRIC CO., EMERSON  
PROCESS MANAGEMENT LLLP, FISHER-  
ROSEMOUNT SYSTEMS, INC.,  
ROSEMOUNT INC., BP, p.l.c., BP  
AMERICA, INC., and BP AMERICA  
PRODUCTION COMPANY,

Defendants.

**DECLARATION OF ROBERT KARSCHNIA**

I, Robert Karschnia, do hereby declare as follows:

1. I am a competent adult over 18 years of age. I make the following statements based upon my personal knowledge or upon the corporate knowledge of Rosemount, Inc. (“Rosemount”) which I have obtained during the course of my employment with Rosemount.
2. I am Vice President/General Manager of Wireless Products, Rosemount Inc.
3. I have reviewed the allegations the plaintiffs in this case have made in their Amended Complaint regarding the relationship between Emerson Electric Co., Emerson Process Management LLLP, Fisher-Rosemount Systems, Inc., and Rosemount Inc. (collectively, “Emerson”) and BP, p.l.c., BP America, Inc. and BP America Production Company (collectively, “BP”).

4. I have personal knowledge regarding Emerson's relationship with BP. Emerson makes and sells the Smart Wireless products accused of infringement in this case. Emerson sells the Smart Wireless products to a large number of customers including BP.

5. Although Emerson and BP have a supply agreement, that agreement is not itself a purchase order. BP, however, can place orders for Emerson's Smart Wireless Solutions products or related services pursuant to the terms and conditions of that supply agreement, and Emerson will fulfill those orders, just as Emerson would do for any other customer.

6. BP is not contractually obligated to Emerson to operate remote field devices, network managers, and gateways in conformance with the WirelessHART standard that is used by Emerson Smart Wireless Solution products. Emerson's Smart Wireless Solutions products are designed to operate according to aspects of the WirelessHART standards. But BP is not contractually obligated to Emerson to operate those devices at all, or according to any standards.

7. Emerson does not condition BP's use of Smart Wireless Solutions to BP's adherence to the WirelessHART standards. Emerson does not direct or control BP to adhere to the WirelessHART standards. Emerson does not establish the manner or timing of BP's installation or use of Smart Wireless Solutions products. Emerson does not direct BP's deployment of Smart Wireless field devices at BP's oil and gas wellheads, including those located in East Texas. Moreover, Emerson does not install, operate, or monitor any Smart Wireless products for BP. Emerson does not have the right or ability to put conditions on the Smart Wireless products it sells to BP. In addition, Emerson does not receive any compensation or other pecuniary benefit based on BP's commercial use of the Smart Wireless products purchased from Emerson.

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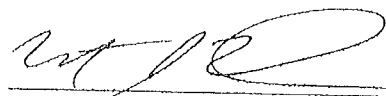
8. Plaintiff's Amended Complaint makes reference to a 10-year agreement between BP and Emerson signed around August 2015. The agreement referred to by plaintiffs does not require Emerson to provide any products or services, or require BP to operate products at particular times or in a particular manner. Instead, the agreement specifies the terms and conditions under which Emerson will supply products or services, if BP later requests the purchase of products or services.

9. Because plaintiffs' allegations against BP in this case are based on BP's purchase and use of Emerson's Smart Wireless products, Emerson is indemnifying and defending BP against plaintiffs' claims in this case.

10. Emerson's Smart Wireless products are not specially made for BP or for the production and transportation of oil and gas. Emerson's Smart Wireless products are purchased and used by customers in a wide variety of industries in the United States.

11. I declare under penalty of perjury that the foregoing is true and correct.

Dated: March 29, 2016

  
Robert Karschnia