

all of traders in the bond world knows who eSpeed was.

Q. So they could have afforded those numbers that they were offering to buy TT for?

MR. LOMBARDI: Objection, your Honor.

THE WITNESS: Those numbers were no problem whatsoever.

THE COURT: I think he knows.

BY MR. BERGHOFF:

Q. Did there come a time, Mr. Brumfield, when you became an investor in TT?

A. Yes, that was the first of 1999.

Q. And why did you invest your own money in TT as a company?

A. So Gary decided to expand the company. Up until that point -- again, he had done a lot of consulting work and product work, so a lot of times he would just meet payroll by doing -- going and doing consulting jobs to meet the payroll at the end of the month or bimonthly, or however he did it. And he wanted to go more toward a product company at some point and start easing that way over time. And he wanted to hire lots of people and set up offices worldwide.

And so at that time, he went out and talked to venture capital companies and different people, but he also talked to me. And like we ended up -- he was very

familiar with me and very comfortable, I guess, because we ended up striking a deal where I would start financing the company.

Q. And did there come a time when you became the primary owner of TT?

A. Yes. I think that was around late 2000, early 2001. I am not exactly sure when it tipped over 50 percent. And then eventually, again, I bought Gary out over time.

Q. Are you still the primary owner of TT today?

A. I am the majority owner.

Q. And -- so you've got the biggest chunk?

A. Right.

Q. Who owns the next biggest chunk after you of TT?

A. So we have been very, very liberal or whatever with our stock options so that the employees own approximately 25, 30 percent of the company.

Q. And that's -- they're the second biggest, the employees are the second biggest owner of TT?

A. By far. By far.

Q. And did there come a time, Mr. Brumfield, when you became the CEO of TT?

A. That was in early 2003.

Q. And how much money have you invested in TT from start to today?

A. Approximately somewhere in the range of 40 million, 35, \$40 million.

Q. And does that investment that you've made in TT have anything to do with MD Trader?

A. No. If it wouldn't have been for MD Trader, I would have stopped a long, long time ago.

Q. Could you explain that?

A. Well, it's a major asset of TT's, and so that speaks for itself. It's just a major part of TT.

Q. Do you have a personal attachment to MD Trader, Mr. Brumfield?

A. I try not to get too personally attached to it, but the firm, I associate with all the people and so I associate with TT.

Q. Have you had a return on your \$35 million or so investment yet in TT?

A. No. We don't -- we at best break even, so we don't have much money in the bank. And so no, it's sort of -- it's just been a patient situation.

Q. Do you still believe in TT as a company, Mr. Brumfield?

A. For sure. Sure.

Q. And why is that?

A. Well, I don't want to assume what people -- I believe -- I know what all happened, the invention, and

so that's a big part of my belief, and I don't want to put words in anybody's mouth, but I think that will eventually be upheld wherever we go. So that's a big part of it. I mean, there are other things, but that's a huge part of it.

Q. The patents in this case are a big part of your belief in TT, Mr. Brumfield?

A. For sure. For sure.

Q. And your invention in MD Trader?

A. For sure.

MR. BERGHOFF: No further questions, your Honor.

THE COURT: Well, this obviously is the appropriate time to break for lunch. Why don't we figure on -- well, let's say 1:30.

MR. BERGHOFF: Maybe after the jury goes, could I move the exhibits into evidence?

THE COURT: You may, sure.

(The jury leaves the courtroom.)

MR. BERGHOFF: Your Honor, I'd like to move into evidence PTX 1916, PTX 1274, 1275, 1276, 1277, 1279, 1280, 1281, 1283, and PTX 396.

MR. PERKINS: Your Honor, I believe all those exhibits were demonstratives, so I think --

THE COURT: They'll come into evidence, and

we are going to sort out later as to what demonstrative exhibits go to the jury.

MR. BERGHOFF: Yes. Just so it's clear, we are going to want some of the demonstratives to go back to the jury.

THE COURT: And I at the beginning -- well, just after the break, I gave you the transcript on Mr. Steger.

MR. PERKINS: Yes.

THE COURT: And maybe at some point, I ought to instruct the jury it's not a copyright case.

MR. BERGHOFF: It is certainly not a copyright case, your Honor, but we believe copying is important evidence for the jury to consider, of course.

THE COURT: Okay.

(The trial was adjourned at 12:30 p.m. until 1:30 p.m. of this same day and date.)

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