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

SMARTFLASH LLC and)
SMARTFLASH TECHNOLOGIES) DOCKET NO. 6:13cv447
LIMITED)

-vs-

) Tyler, Texas
) 1:16 p.m.
APPLE INC.) February 16, 2015

TRANSCRIPT OF TRIAL
AFTERNOON SESSION
BEFORE THE HONORABLE RODNEY GILSTRAP,
UNITED STATES DISTRICT JUDGE

A P P E A R A N C E S

FOR THE PLAINTIFFS:

MR. BRADLEY W. CALDWELL
MR. JASON D. CASSADY
MR. JOHN AUSTIN CURRY
CALDWELL CASSADY & CURRY
2101 Cedar Springs Rd., Ste. 1000
Dallas, Texas 75201

MR. T. JOHN WARD, JR.
WARD & SMITH LAW FIRM
P.O. Box 1231
Longview, Texas 75606

1 FOR THE DEFENDANTS:

2

3 MR. JAMES R. BATCHELDER
4 ROPES & GRAY LLP
5 1900 University Ave., 6th Floor
6 East Palo Alto, California 94303-2284

5

6 MS. CHING-LEE FUKUDA
7 MR. KEVIN J. POST
8 ROPES & GRAY LLP
9 1211 Avenue of the Americas
10 New York, New York 10036-8704

9

10 MR. ERIC ALBRITTON
11 ALBRITTON LAW FIRM
12 P. O. Box 2649
13 Longview, Texas 75606

12

13

14

15

16 COURT REPORTERS: MS. SHELLY HOLMES, CSR, TCRR
17 OFFICIAL COURT REPORTER
18 shelly_holmes@txed.uscourts.gov

17

18 MS. SHEA SLOAN, CSR, RPR
19 OFFICIAL COURT REPORTER
20 shea_sloan@txed.uscourts.gov

19

20

21

22

23

24 Proceedings taken by Machine Stenotype; transcript was
25 produced by a Computer.

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1 your first witness.

2 MR. CALDWELL: Thank you, Your Honor.

3 The Plaintiff calls Mr. Patrick Racz. And while
4 Mr. Racz is walking to the witness stand, may I --

5 THE COURT: Before he walks to the witness stand,
6 he needs to be sworn in.

7 MR. CALDWELL: Perfect.

8 THE COURT: Or what do you have, Counsel?

9 MR. CALDWELL: I was just going to ask permission
10 to pass a notebook to opposing counsel and take some
11 materials to the witness stand.

12 THE COURT: You have leave to circulate that while
13 the witness is sworn.

14 MR. CALDWELL: Thank you, Your Honor.

15 (Witness sworn.)

16 THE COURT: Now if you'll have a seat on the
17 witness stand, please.

18 All right. Counsel, you may proceed.

19 MR. CALDWELL: Thank you, Your Honor.

20 Would the Court like or the Court Reporter or
21 anyone like a copy of the witness's witness binder?

22 THE COURT: If you want to pass it up, that's
23 perfectly fine. If you don't, it's your call.

24 MR. CALDWELL: I'm certainly willing to, just in
25 case it helps with spellings or anything like that.

1 May I approach, Your Honor?

2 THE COURT: You may.

3 MR. CALDWELL: May it please the Court.

4 THE COURT: Proceed.

5 PATRICK RACZ, PLAINTIFFS' WITNESS, SWORN

6 DIRECT EXAMINATION

7 BY MR. CALDWELL:

8 Q. Would you please introduce yourself to the jury?

9 A. Yes. My name is Patrick Racz.

10 Q. Why are you here, Mr. Racz?

11 A. I'm one of the inventors of the patents-in-suit.

12 Q. What did you invent that is at issue in this case?

13 A. I invented particular devices and methods for combining
14 payment functionality, secure downloading, storage, and rules
15 for the use of content on one portable device that you would
16 carry with you.

17 Q. Could that be a phone or an MP3 player?

18 A. It would include those, sir, yes.

19 Q. Who benefits from your invention, Mr. Racz?

20 A. Content developers, publishers, artists, songwriters,
21 device manufacturers, and users.

22 Q. We will go through your invention in detail momentarily,
23 but I'd like to introduce you to the jury.

24 How old a man are you?

25 A. I'm 54 years old.

1 Q. Married?

2 A. I am, sir, yes. Married to Carol. I have two children:
3 Jake, who is 19, and Luke, who is 14.

4 Q. Where did you grow up, Mr. Racz?

5 A. I grew up on the island of Jersey, which is a small
6 island in the English channel. I'm not from there
7 originally. My parents moved there when I was about three
8 years old to buy a farm, settle down and bring up their
9 children.

10 Q. Tell me about your educational background. Do you have
11 a high school or college education?

12 A. No, I don't, sir, no.

13 Q. Why not?

14 A. I actually left home and school at a very early age. It
15 would be the equivalent of 8th grade here in the United
16 States.

17 Q. What did you do when you left home?

18 A. I went to live on a neighboring island of Guernsey. I
19 worked in a commercial greenhouse learning about propagation
20 and growing plants, a greenhouse nursery.

21 Q. Did you eventually get some college education?

22 A. I did sir, yes. When I returned to Jersey, I attended
23 Highlands College for horticulture, advanced education. I
24 learned about commercial horticulture.

25 Q. How were you able to pay for your education, sir?

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