```
1
              IN THE UNITED STATES DISTRICT COURT
               FOR THE EASTERN DISTRICT OF TEXAS
 2
                         TYLER DIVISION
 3
                                    Civil Docket No.
   VIRNETX
 4
                                    6:07-CV-80
   VS.
                                    Tyler, Texas
 5
                                    March 9, 2010
 6
   MICROSOFT CORPORATION
                                    1:30 P.M.
 7
                    TRANSCRIPT OF JURY TRIAL
            BEFORE THE HONORABLE JUDGE LEONARD DAVIS
 8
                  UNITED STATES DISTRICT JUDGE
 9
10
11
   APPEARANCES:
12
   FOR THE PLAINTIFFS:
                           MR. DOUGLAS CAWLEY
                           MR. BRADLEY CALDWELL
13
                           MR. JASON D. CASSADY
                           MR. LUKE MCLEROY
                           McKool-Smith
14
                           300 Crescent Court
15
                           Suite 1500
                           Dallas, TX
                                        75201
16
                           MR. ROBERT M. PARKER
17
                           Parker, Bunt & Ainsworth
                           100 East Ferguson
18
                           Suite 1114
                           Tyler, TX
                                       75702
19
20
   APPEARANCES CONTINUED ON NEXT PAGE:
21
   COURT REPORTERS:
                          MS. SUSAN SIMMONS, CSR
                           Ms. Judith Werlinger, CSR
23
                           Official Court Reporters
                           100 East Houston, Suite 125
24
                                          75670
                           Marshall, TX
                           903/935-3868
   (Proceedings recorded by mechanical stenography,
   transcript produced on CAT system.)
```



```
1
   APPEARANCES CONTINUED:
2
   FOR THE DEFENDANT:
                          MR. MATTHEW POWERS
3
                           MR. JARED BOBROW
                           MR. PAUL EHRLICH
 4
                           MR. THOMAS KING
                           MR. ROBERT GERRITY
5
                           Weil Gotshal & Manges
                           201 Redwood Shores Parkway
 6
                           5th Floor
                           Redwood City, CA
                                               94065
 7
                           MS. ELIZABETH WEISWASSER
 8
                           MR. TIM DeMASI
                           Weil Gotshal & Manges
9
                           767 Fifth Avenue
                           New York, NY
                                          10153
10
                           MR. DANIEL BOOTH
11
                           Weil Gotshal & Manges
                           700 Louisiana
12
                           Suite 1600
                           Houston, TX
                                         77002
13
                           MR. RICHARD SAYLES
14
                           MR. MARK STRACHAN
                           Sayles Werbner
15
                           1201 Elm Street
                           4400 Renaissance Tower
16
                           Dallas, TX
                                        75270
17
                           MR. ERIC FINDLAY
                           Findlay Craft
18
                           6760 Old Jacksonville Highway
                           Suite 101
19
                           Tyler, TX
                                       75703
20
                                   *
21
                        PROCEEDINGS
2.2
                  COURT SECURITY OFFICER: All rise.
23
                  All rise for the jury.
24
                   (Jury in.)
25
                  THE COURT: Please be seated.
```



```
1
                  All right. Counsel, you may proceed.
 2
                  MR. BOBROW: Thank you, Your Honor.
3
       ROBERT D. SHORT, III, Ph.D., PLAINTIFF'S WITNESS,
                       PREVIOUSLY SWORN
 4
5
                 CROSS-EXAMINATION (CONTINUED)
6
   BY MR. BOBROW:
7
        Q.
             Good afternoon, Mr. Short.
8
        Α.
            Good afternoon. Thank you.
9
           Welcome back.
        Q.
             I have just a few more questions for you on a
10
   couple of topics, okay?
11
12
             Yes, sir.
        Α.
             Thank you.
13
        Q.
             I think where we broke for lunch was I was
14
  asking you about some of the efforts that SAIC made
16
  after SAIC had decided to stop trying to seek funds from
17
   the commercial market in the summer of 2001.
18
             Do you recall that?
19
             Yes, sir.
        Α.
20
             What I had asked you about was whether SAIC
        Q.
21
  had made an approach to a government agency called OSIS
   in the summer of 2001.
23
             Do you recall that?
            Yes, sir.
24
        Α.
25
            Let me please -- and I believe, sir, your
        Q.
```



```
testimony may have been -- and forgive me if I've gotten
  this wrong -- that you weren't sure whether there was
3
  such an approach to OSIS; is that right?
 4
            Yes, sir. It was not a name that rang a bell
   in my head.
5
6
        Q.
             Thank you.
7
             All right. So what I'd like you to do, then,
  is take a look at the exhibit that I mentioned right
9
  before the break, and that's Exhibit 3347.
             And, sir, Exhibit 3347 should also be on the
10
  screen in front of you. And it appears to be a
11
  presentation from SAIC to OSIS dated June 6th of 2001.
13
            Do you see that?
14
        Α.
            Yes, sir.
        Q.
             Do you see, for example, that Mr. Munger's
  name is listed on this presentation, right?
16
17
        Α.
            Yes, sir.
18
             And you see also that your name is listed on
19
  this presentation as well?
20
        Α.
            Yes, sir.
21
           And Mr. Zimmet as well?
        Q.
22
            Yes, sir. I don't recall that name.
        Α.
23
            All right. So in all events, you and
        Q.
24
  Mr. Munger were involved in this presentation to OSIS,
25
  correct?
```

- 1 Yes, sir, it appears so. Α. And does this refresh your memory that you, 2 Q. 3 indeed, were so involved? 4 Α. Not really, but I believe that I probably was. 5 My name is on there. 6 Q. Right. And OSIS, as you recall, was a 7 government agency that was involved in intelligence, don't you? 8 9 I seem to recall that, yes, sir. And one of the things that you did when you 10 went to OSIS in the summer of 2001 was you were trying 11 to interest OSIS in your invention, right? Yes, sir. 13 Α. You were hoping to get OSIS to help fund the 14 continuing development of your invention, right? 16 Yes, sir. Α. 17 So one of the things that you had to do to get Ο. 18 them interested in your invention was to describe it to 19 them, right? 20 Α. Yes, sir.
- Q. And one of the things that you did on

 Page 3 -- if you'd take a look there, please, Page 003

 at the top -- was you wanted to let OSIS know what the

 problem was that your invention was trying to deal with,

 right?

DOCKET

Explore Litigation Insights



Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time** alerts and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.

