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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

WESTERNGECO LLC,	.	4:09-CV-01827
	.	HOUSTON, TEXAS
PLAINTIFF,	.	
	.	
vs.	.	
	.	
ION GEOPHYSICAL	.	
CORPORATION, FUGRO GEOTEAM,	.	
INC., ET AL,	.	VOLUME 11
	.	AFTERNOON SESSION
DEFENDANTS	.	AUGUST 7, 2012
.	12:30 P.M.

TRANSCRIPT OF JURY TRIAL
BEFORE THE HONORABLE KEITH P. ELLISON
UNITED STATES DISTRICT JUDGE

A P P E A R A N C E S :

FOR THE PLAINTIFF:

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Gilman Cross of Charles Ledet

12:57 1 Q That's the same thing as the APS system you were talking
2 about earlier?
3 A Yes. Those terms are used interchangeably.
4 Q You see the third bullet point, cable steering, there?
12:58 5 A Yes.
6 Q That refers to lateral steering of the streamers, correct?
7 A That's correct.
8 Q We see further down towards the bottom, the presentation
9 states that PGS positioning system requirements were driven by
12:58 10 Q system features, right?
11 A PGS wanted a competitive solution to the Q system, yes.
12 Q Q-Marine was already out in the market with a steerable
13 streamer system at this time?
14 A I believe that is the case, yes.
12:58 15 Q And your customer came to you and said, We want a competing
16 system for Q Marine?
17 A Yes. We were seen as the positioning system experts. We
18 were in the best position to develop a competing offering.
19 Q If we turn back to the page 14 in this exhibit, 934, here
12:58 20 is another slide on the next-generation positioning system.
21 And then there's a project description, there is a question of
22 why, and the answer is: Answer to Q positioning system, right?
23 A Yes. That was, you know, a competitive offering to Q, yes.
24 Q We see some of the benefits that we all agree on come from
12:59 25 streamer steering?

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12:59 1 A Yes. And those are the exact same benefits that we
2 identified early on in the '90s, yes.

3 Q And this next-generation positioning system was a concerted
4 effort by ION to match the features that WesternGeco had with

12:59 5 Q?

6 A It was to develop a competitive offering. The Q-Marine
7 system had several features that were not intended to be
8 offered in our system. Cable steering was one of them, and we
9 felt like we had an approach that was better than what was
10 incorporated in the Q-Marine system.

13:00 11 Q You wanted to be able to offer your customers something
12 that would compete with Q's streamer steering?

13 A Our customers were asking us for that and that was our
14 business, to provide positioning devices and controllers to
15 control streamers. So we usually did what our customers asked
16 us to do.

17 Q And ION did not have streamer steering capabilities at the
18 time?

19 A We did not have a commercialized offering at the time.

13:00 20 Q I would like to take a look at how our customers were
21 viewing the Q streamer steering system at the time. I will
22 show you an email you received in 2004, which is ION
23 Exhibit 303.

24 We see at the top this is an email from Dave
13:01 25 Ridyard to yourself in 2004?

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