

## ALI PARTOVI - 10/10/2017

1	IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA
2	IN AND FOR THE COUNTY OF SAN MATEO
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4	SIX4THREE, LLC, a Delaware
5	limited liability company,
6	Plaintiff, vs. No. CIV 533328
7	FACEBOOK, INC., a Delaware
8	corporation; and DOES 1 through 50, inclusive,
9	Defendants.
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15	DEPOSITION OF ALI PARTOVI
16	October 10, 2017
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24	Reported by: Natalie Y. Botelho
25	CSR No. 9897

- 1 look at Exhibit 3.
- 2 MR. LERNER: And just to be clear, you
- 3 want this to be both Exhibit 7 to Hendrix and
- 4 Exhibit 3 to this deposition?
- 5 MR. GODKIN: Yes. I mean...
- 6 MR. LERNER: All right.
- 7 MR. GODKIN: It's not the first time --
- 8 MR. LERNER: It's your record. I
- 9 understand.
- 10 MR. GODKIN: Yeah.
- 11 (Pause.)
- MR. GODKIN: Q. Have you had a moment to
- 13 review Exhibit 3?
- 14 (Pause.)
- 15 THE WITNESS: Yeah.
- MR. GODKIN: Q. If you look at the bottom
- of the first page of Exhibit 3, you see a URL which
- is facebook.com, then some additional information?
- 19 A. Yeah.
- 20 Q. Do you recall ever reading this on
- 21 Facebook's website?
- 22 A. I can't say exactly whether I recall
- 23 reading this. However, there's nothing here that I
- 24 haven't -- that looks unfamiliar to me. I feel like
- 25 I've seen this information in some form before.

- 1 Q. Did you from time to time go to Facebook's
- 2 website and read what was posted on the website?
- 3 A. Yes.
- 4 Q. And do you recall going to the website
- 5 from time to time to read announcements made by
- 6 Facebook about its platform?
- 7 MR. LERNER: Vague and overbroad.
- 8 THE WITNESS: Yes.
- 9 MR. GODKIN: Q. If you focus for a moment
- on the second paragraph of Exhibit 3, do you see
- 11 that there's a statement differentiating between
- 12 applications people use on Facebook and the core of
- 13 the site? Do you see that?
- 14 A. Yes.
- 15 Q. And then it goes on to say, "Applications
- 16 are things like Photos, Notes, Groups and Events"?
- 17 A. Yes.
- 18 Q. Do you see that? Do you recall coming to
- 19 any understanding about what Facebook meant when it
- 20 was differentiating between applications and the
- 21 core of its website?
- MR. LERNER: Calls for speculation.
- THE WITNESS: Well, yes. Between this,
- 24 what you just pointed out, but also the language in
- 25 the fourth paragraph says it more overtly, where it

- 1 says, "we've made it so that any developer can build
- 2 the same applications that we can." What I
- 3 understood that to mean was that Facebook's own
- 4 features would -- would be built as applications
- 5 using the same platform and using the same APIs that
- 6 third-party applications would.
- 7 And there was a example unveiled at the F8
- 8 event, which was the Video application, and that's
- 9 in the last paragraph of this -- of this document.
- 10 That was sort of a symbolic example where Facebook
- 11 was unveiling a significant new feature, and it was
- 12 unveiled in the form of an application that had --
- 13 had no inherent advantages over third-party
- 14 applications --
- MR. GODKIN: Q. What --
- 16 A. -- on the platform.
- 17 Q. Was that concept important to your
- 18 company, iLike, the concept that Facebook would be
- 19 building applications using the same tools and would
- 20 have no inherent advantages over third-party
- 21 applications?
- MR. LERNER: Leading, compound, and lacks
- 23 foundation.
- 24 THE WITNESS: That was very important to
- 25 us.

- 1 MR. GODKIN: Q. Why was that very
- 2 important to you?
- 3 A. Because it suggested that there would be a
- 4 level playing field where a third party could
- 5 compete not only with other third parties, but even
- 6 with Facebook's own capabilities, and could
- 7 accumulate customers based on merit and not based
- 8 on, you know, special advantages within the --
- 9 within Facebook.
- 10 Q. Was that concept something you and your
- 11 company were aware of back in April, when you
- decided to go ahead and build an app on the Facebook
- 13 Platform?
- 14 MR. LERNER: Overbroad, calls for
- 15 speculation.
- 16 THE WITNESS: I don't think I was. I
- 17 wasn't. I don't know if others within the company
- 18 were.
- MR. GODKIN: Q. Did you become aware of
- 20 that at the F8 in May of 2007?
- MR. LERNER: Overbroad.
- THE WITNESS: Yes.
- MR. GODKIN: O. And the Face -- was
- 24 Facebook's demonstration of its new Video app an
- 25 illustration of that concept?

- 1 MR. LERNER: Same objection.
- THE WITNESS: It was.
- 3 MR. GODKIN: Q. Was it your understanding
- 4 that Facebook was using its new Video app in order
- 5 to communicate to third-party developers that there
- 6 would be a level playing field out there?
- 7 MR. LERNER: Calls for speculation, it's
- 8 overbroad, and it's leading.
- 9 THE WITNESS: That was my understanding.
- 10 MR. GODKIN: Q. And that was important to
- 11 you why?
- MR. LERNER: Misstates the testimony.
- 13 THE WITNESS: I've already answered that.
- MR. GODKIN: Q. Okay. I'll withdraw
- 15 that, then. Do you see in the third paragraph the
- 16 term "social graph" is used?
- 17 A. Yes.
- 18 Q. Did you have an understanding of what
- 19 Facebook meant when it referred to the social graph?
- 20 A. Yes.
- 21 Q. What was your understanding?
- MR. LERNER: Calls for speculation.
- 23 THE WITNESS: A graph is a computer
- 24 science term, where you have nodes, which you could
- 25 think of as dots, and then you have connections

- 1 between the nodes, which you can think of as lines
- 2 connecting them. And the social graph meant the
- 3 interconnections between people, where each person,
- 4 each human, is a node, and each friendship is a line
- 5 connecting two nodes or two people.
- 6 MR. GODKIN: Q. And in the fourth
- 7 paragraph, do you see there's a reference to
- 8 "written FQL," and then in parentheses it says
- 9 "Facebook Query Language"? Do you see that?
- 10 A. Yes.
- 11 Q. Do you know what that means?
- 12 MR. LERNER: Same objection.
- 13 THE WITNESS: Broadly. There were two new
- languages, FQL and FBML, which is Facebook Markup
- 15 Language -- sorry -- Facebook Markup Language. And
- 16 these were -- essentially these were both extremely
- 17 similar to existing standard languages, but modified
- 18 to enable specific Facebook capabilities. And FQL
- 19 provided abilities for the -- for an application to
- 20 get information from Facebook. So as part of the
- 21 APIs that I mentioned before.
- So as an example, if an app wanted to find
- 23 out what are the favorite music of a consumer, they
- 24 could submit an FQL query using the Facebook Query
- 25 Language to look up that consumer's favorite music.

- 1 MR. GODKIN: Q. And when you're using the
- 2 term "language," are you talking about a computer
- 3 programming language?
- 4 A. Sorry. Yes.
- 5 Q. Okay. All right. Put that one aside.
- 6 Let me ask the court reporter to mark as
- 7 the next exhibit another document.
- 8 (Whereupon Exhibit 4 was marked for
- 9 identification.)
- 10 MR. GODKIN: Q. I've placed in front of
- 11 you what we've marked as Exhibit 4, Mr. Partovi. If
- 12 you could take a moment to review it.
- 13 A. Mm-hmm.
- 14 Q. It's entitled "F8 Event and Facebook
- 15 Platform FAQ" at the top. Do you see that?
- 16 A. Mm-hmm.
- 17 Q. You need to say "yes" or "no."
- 18 A. Yes.
- 19 Q. Have you seen this document before?
- 20 A. This does not look familiar to me.
- 21 Q. Do you see in the very first paragraph,
- 22 under the heading "What is F8," and then it says,
- 23 "F8 was an event held at the San Francisco Design
- 24 Center on May 24th --
- 25 A. Yes.

- 1 Q. -- 2007, during which Mark Zuckerberg
- 2 unveiled the next evolution of Facebook Platform."
- 3 And it talks about a Hackathon, as well.
- 4 A. Yeah.
- 5 Q. Does this refresh your recollection that
- 6 the F8 in 2007 took place on May 24, 2007 --
- 7 A. Yes.
- 8 Q. -- at the San Francisco Design Center?
- 9 MR. LERNER: Asked and answered. He's
- 10 already testified this document's not familiar.
- 11 THE WITNESS: So on the third paragraph, I
- 12 might have seen this, because this is the --
- "opportunity to build a business" at the end is a
- 14 thing that I remember pointing out to you
- 15 specifically was important to me.
- MR. GODKIN: Q. All right. And so you're
- 17 referring to the third paragraph that's entitled
- "What is Facebook Platform," correct?
- 19 A. Yes.
- 20 Q. And in that paragraph, it also refers
- 21 to -- this is in the last sentence -- "deep
- 22 integration into the Facebook website."
- 23 A. Yes.
- Q. Does that refresh your recollection as to
- 25 whether you read this document before?

- 1 A. That one, not as much. "Opportunity to
- 2 build a business" is something that I remember
- 3 reading. And I think I remember Mark Zuckerberg
- 4 saying it on stage, as well. And it wasn't in this
- 5 document, so therefore, maybe I read it here.
- 6 Q. When you say "it wasn't in this document,"
- 7 are you referring --
- 8 A. It wasn't in Exhibit 3.
- 9 Q. Exhibit 3. Okay. And if you refer down
- 10 to -- down towards the bottom of the first page,
- 11 there's a section called "Why did Facebook launch
- 12 Facebook Platform?" Do you see that?
- 13 A. Yeah.
- 14 Q. And it says, "Our engineers have created
- 15 great applications for Facebook, but we recognize
- 16 that third-party developers can help us make
- 17 Facebook an even more powerful social utility." Do
- 18 you see that?
- 19 A. Yeah.
- 20 Q. Does reading that refresh your
- 21 recollection as to whether or not you heard
- 22 Mr. Zuckerberg or someone else talk about
- 23 third-party developers making Facebook a more
- 24 powerful social utility?
- MR. LERNER: Asked and answered, and

- 1 mischaracterizes the testimony.
- 2 The term "more powerful THE WITNESS:
- 3 social utility" doesn't ring a bell.
- 4 MR. GODKIN: Q. Okay. And then the last
- sentence of this paragraph states, "Developers also 5
- 6 benefit from Facebook Platform as it gives them the
- 7 potential to broadly distribute their applications
- 8 and even build new business opportunities." Do you
- 9 see that?
- 10 Α. Yes.
- 11 Does that refresh your recollection as to 0.
- 12 whether you recall Mr. Zuckerberg or someone else
- 13 talking about Facebook Platform and providing new
- 14 business opportunities to developers?
- 15 MR. LERNER: Same objections, and
- 16 mischaracterizes the prior testimony.
- 17 THE WITNESS: That language I definitely
- 18 recall hearing from Facebook, but I don't recall
- 19 whether it was in this document or from Zuckerberg
- 20 on stage or various other Facebook communications.
- 21 But to broadly distribute applications and build new
- 22 business and opportunities were definitely things
- 23 that Facebook in multiple different ways was touting
- 24 as the benefits of the platform for developers.
- 25 MR. GODKIN: Q. And was that one of the

- 1 things that you considered in deciding to go ahead
- 2 and build an application on the Facebook Platform?
- 3 MR. LERNER: Asked and answered, and it's
- 4 vague as to time.
- 5 THE WITNESS: I think we saw that as
- 6 marketing. The things I said earlier were more
- 7 critical to us, namely the ability to communicate
- 8 with customers and build lasting customer
- 9 relationships.
- 10 MR. GODKIN: Q. Then if you turn to the
- 11 third page of Exhibit 4, at the top there's a
- 12 section entitled "How will Facebook deal with
- 13 applications that compete with one another or even
- compete with Facebook-built applications?" Can you
- 15 read that section quickly.
- 16 (Pause.)
- 17 THE WITNESS: Yeah.
- 18 MR. GODKIN: Q. Do you recall reading
- 19 this paragraph before?
- MR. LERNER: Asked and answered.
- 21 THE WITNESS: I don't recall reading it in
- 22 this document, but I recall it being an explicit
- 23 promise from Facebook that applications from
- 24 third-party developers would have a level playing
- 25 field with applications built by Facebook, and that

- 1 third-party applications and Facebook's native
- 2 applications would compete for consumer attention
- 3 based on merit. Those are things I said, you know,
- 4 ten minutes earlier.
- 5 MR. GODKIN: Q. Right.
- 6 A. So I recall those things being explicit
- 7 promises, but I don't recall whether I saw them in
- 8 this document itself.
- 9 Q. Do you recall whether Mr. Zuckerberg made
- 10 that point when he gave his speech at the F8 in
- 11 2007?
- 12 MR. LERNER: Asked and answered --
- 13 THE WITNESS: I don't remember that.
- 14 MR. LERNER: -- for about the tenth time.
- MR. GODKIN: Q. Did anybody else other
- 16 than Mr. Zuckerberg make speeches at the F8?
- 17 MR. LERNER: That's --
- 18 MR. GODKIN: Q. -- in 2007?
- 19 MR. LERNER: -- also asked and answered
- 20 multiple times.
- 21 THE WITNESS: I don't remember. I think I
- 22 said "probably."
- MR. GODKIN: Q. Right.
- 24 A. It's just very hazy.
- 25 Q. Well, to the extent that it's possible

- 1 And I believe Facebook themselves was amongst the
- 2 different groups that we borrowed machines from.
- 3 Although I wasn't the one doing that, so my memory
- 4 of that is a bit hazy.
- 5 Q. How many -- do you recall how many users
- of the Facebook app iLike had at its peak?
- 7 MR. LERNER: Vague and overbroad.
- 8 THE WITNESS: It's an estimate. I would
- 9 say 25 million, but that could be significantly off.
- 10 It could be -- it could be 20 or it could be 30.
- MR. GODKIN: O. Somewhere between 20 and
- 12 30?
- 13 A. It was in the tens of millions.
- 14 Q. And do you recall approximately when the
- 15 peak was achieved time-wise?
- 16 A. 2009.
- 17 Q. So at the bottom of page -- you see
- 18 there's some page numbers, page 3 of 14, at the
- 19 bottom?
- 20 A. Yeah.
- 21 Q. On page 3 of 14, you answered a question
- 22 by stating that you pushed and pushed with Facebook
- 23 asking for some sort of exclusive relationship. Do
- 24 you see that?
- 25 A. Yeah.

- 1 O. And what was the -- what sort of exclusive
- 2 relationship were you pushing for?
- 3 A. So we had hoped to have a partnership with
- 4 Facebook where we'd have a contractual commercial
- 5 relationship with them. And, you know -- and one
- 6 where we would be the exclusive provider of music,
- 7 music-related features on Facebook.
- 8 Q. And what did Facebook respond?
- 9 A. I mean, this is what I remember, is they
- 10 weren't interested in doing any exclusive -- or
- 11 even -- or contractual relationship, and -- and
- instead wanted us to build -- build an app on the
- 13 platform.
- 14 Q. And at the top, on page 4 of 14, you
- answered the question by saying that, "They
- 16 repeatedly said they won't do an exclusive
- 17 relationship, but would rather create a level
- 18 playing field where we could compete with other
- 19 third parties." Do you see that?
- 20 A. Yeah.
- 21 Q. And by "they," do you recall any
- 22 individual people who you were talking to Facebook
- about this potential exclusive relationship?
- 24 A. I was speaking to Allison Rosenthal.
- 25 Q. Do you know what her job was within

- 1 Facebook?
- 2 A. I don't remember the title, but it was
- 3 business development. Maybe director of business
- 4 development or manager of business development. I
- 5 believe she had a specific focus on music, music
- 6 services or the music category, but I don't remember
- 7 for sure.
- 8 Q. Do you happen to know whether she still
- 9 works for Facebook?
- 10 A. I don't think she does.
- 11 Q. Is she somebody that you've stayed in
- 12 touch with over the years?
- 13 A. Minimally.
- 14 Q. Do you happen to know where she works
- 15 today?
- 16 A. I should, but I've forgotten.
- 17 Q. And the phrase "level playing field"
- 18 appears in that sentence, as well. Is that
- 19 something that Allison Rosenthal said to you?
- 20 A. I don't recall.
- 21 Q. Do you remember anybody else at Facebook
- using the phrase "level playing field"?
- 23 A. Matt Cohler.
- 24 Q. Can you spell his last name?
- 25 A. C-O-H-L-E-R.

- 1 O. What was his title at the time he had that
- 2 conversation with you?
- 3 A. I think chief product officer, but I
- 4 might -- I might be mistaken on that, as well.
- 5 Q. And do you recall how many times you spoke
- 6 with Matt Cohler about this topic of a level playing
- 7 field?
- 8 A. I --
- 9 MR. LERNER: Mischaracterizes the
- 10 testimony.
- 11 THE WITNESS: The only conversation that I
- 12 remember clearly was at F8, at the F8 conference. I
- 13 remember him saying that the Video app that Facebook
- 14 had built using their own platform was -- was not
- 15 just a one-off. It was that -- it was indicated
- 16 that henceforth Facebook's new capabilities and
- 17 features would be built on the platform using the
- 18 same -- you know, on the same level playing field as
- 19 third-party apps.
- So, for example, I remember him suggesting
- 21 that if a third party built a better video app than
- 22 Facebook's own Video app, the third party could
- 23 conceivably have -- reach more consumers than
- 24 Facebook's own Video app.
- MR. GODKIN: Q. Was what -- was this a

- 1 speech that he was making in front of the group?
- 2 A. No. This was a one-on-one conversation.
- 3 Q. With you?
- 4 A. Yes.
- 5 Q. With anybody else besides the two of you,
- 6 Mr. Cohler and yourself?
- 7 A. I think my brother, Hadi, was there, but I
- 8 don't remember for sure.
- 9 Q. Did Mr. Cohler -- do you recall, was he
- 10 involved in making a presentation to the F8 on the
- 11 subject of this Video app Facebook had built?
- 12 A. I don't remember.
- 13 Q. All right. Other than Mr. Cohler and
- 14 Allison Rosenthal, do you recall anybody else from
- 15 Facebook talking with you about this concept of a
- 16 level playing field?
- 17 MR. LERNER: Mischaracterizes the
- 18 testimony.
- 19 THE WITNESS: I don't. Sorry. This fell
- 20 off. I don't.
- MR. GODKIN: Q. So at the bottom of
- 22 page -- on page 4 of 14, the interview asks you,
- 23 "What made iLike think that Facebook Platform would
- 24 be a big deal?" Do you see that?
- 25 A. Yes.

- 1 and efficiencies and capabilities that it -- that it
- 2 offered to developers, would be superior to ordinary
- 3 web development, would be the preferred place for
- 4 people to build websites and services rather than
- 5 just on the open web.
- 6 Okay. And then on the page 12 of 14, at 0.
- 7 the bottom of the page, you respond to the question
- 8 by stating, "What I'd say is that anybody who is
- 9 currently involved in building a consumer-facing
- 10 website should be thinking about whether they should
- 11 be building a Facebook app instead." Why did you
- 12 think that?
- 13 I don't see it. This is on page 12? Α.
- 14 At the very bottom of the page. Q.
- 15 Α. Ah.
- 16 You're asked a question, and then you Q.
- 17 respond --
- 18 Α. Right.
- 19 Q. -- "what I'd say." Do you see that?
- 20 Α. Yes.
- 21 So why did you make that statement? 0.
- 22 Α. Because I believed that the -- all the
- 23 benefits that one could have of building a website
- 24 could be enjoyed within a Facebook app, and plus
- 25 additional benefits that were not available for a

- 1 stand-alone website, such as access to the various
- 2 APIs that Facebook provided and access to the social
- 3 graph.
- 4 Q. And so do I understand correctly that you
- 5 were basically saying you thought, given these
- 6 additional features, the Facebook Platform was a
- 7 better place to build a website than an ordinary
- 8 website, correct?
- 9 MR. LERNER: Leading, mischaracterizes the
- 10 testimony.
- 11 THE WITNESS: I -- I remember thinking it
- was a better place to build a service or to build a
- 13 business than on a stand-alone website.
- MR. GODKIN: Q. In addition to the
- 15 Facebook Platform, are you aware of any -- anything
- 16 else that Facebook did in the 2007 to 2009 time
- 17 frame that encouraged third-party app developers to
- 18 build businesses on Facebook?
- 19 MR. LERNER: Overbroad, calls for
- 20 speculation.
- 21 THE WITNESS: Am I aware of anything else
- 22 Facebook did that encouraged -- I mean, in addition
- 23 to Facebook Platform, a lot of things that they did,
- 24 I would say, fall under the umbrella of the term
- 25 "Facebook Platform," but in case you don't count it

- 1 under that, there was a different set of APIs called
- 2 Facebook Connect, which I can't remember whether it
- 3 officially was considered part of Facebook Platform
- 4 or separate, but these were capabilities for apps
- 5 that -- sorry -- for websites that were not housed
- 6 within Facebook, nevertheless to have access to some
- 7 of the same services and data and comparable APIs as
- 8 if -- compared to apps that were housed within
- 9 Facebook.
- 10 And so essentially the benefits of
- 11 building an app entirely within Facebook, some of
- 12 those benefits were now offered to websites that
- 13 were not housed within Facebook, but could connect
- 14 to Facebook from the outside, so to speak.
- MR. GODKIN: Q. Did iLike take advantage
- of Facebook Connect on the iLike website portion of
- 17 its business?
- 18 A. No, we did not.
- 19 Q. Are you aware of any other companies that
- you were involved with or consulting with at the
- time who took advantage of Facebook Connect?
- 22 A. I don't remember specifically.
- 23 Q. Are you familiar with something called
- 24 Facebook Fund?
- 25 A. Ah, yes.

- 1 MR. LERNER: Just -- just so it's clear
- 2 for the record, we're going to designate this
- 3 portion of the transcript "Confidential." And
- 4 Mr. Partovi, at a break we'll ask you to sign the
- 5 undertaking that's attached to the protective order
- 6 in this case, which relates to documents marked
- 7 "Confidential" that are shown to people. So we
- 8 can -- with that understanding, we can go ahead with
- 9 this document.
- 10 THE WITNESS: Okay.
- MR. GODKIN: Q. So you have Exhibit 6 in
- 12 front of you. If you'd just turn to the last page
- of the exhibit, which is an e-mail from you to Adam
- 14 D'Angelo, cc: your brother, Hadi Partovi, on
- 15 August 7th, 2007. Do you have that in front of you?
- 16 A. Yes.
- 17 Q. Was Adam D'Angelo a Facebook employee at
- 18 the time?
- 19 A. Yes.
- 20 Q. And what was the reason that you -- strike
- 21 that.
- It looks like you say, "Thanks for your
- 23 time yesterday." Did you have a meeting with him or
- 24 a phone call? Do you remember?
- 25 A. I think I met with him.

- 1 Q. Do you recall what the nature of his job
- 2 was at Facebook?
- 3 MR. LERNER: Calls for speculation.
- 4 THE WITNESS: I think he was the chief
- 5 technical officer.
- 6 MR. GODKIN: Q. And do you recall the
- 7 reason that you met with him?
- 8 A. You know, this particular e-mail, the
- 9 particular date, I don't recall specifically, but he
- 10 and I met on more than one occasion, and I can't
- 11 remember whether I would already have said I was
- 12 friends with him beforehand or became friends
- 13 through the process, but I currently consider him a
- 14 friend.
- 15 And during this period -- this was summer
- of 2007 -- I made frequent visits to the Facebook
- 17 office to talk about things impacting our app in
- 18 particular and the platform in general. So this
- 19 must have been one of those meetings.
- 20 Q. When you say "frequent visits to
- 21 Facebook," about how many times did you visit
- 22 Facebook in 2007?
- 23 A. In all of 2007? Ten times. I don't
- 24 remember. It could have been five times. You know,
- 25 between visits and phone calls and e-mails, there

- 1 was a lot of communication, so I can't remember the
- 2 number of times.
- 3 Q. In addition to the visit that prompted
- 4 this e-mail, do you recall some of the other reasons
- 5 why you went to Facebook to meet with them in 2007?
- 6 A. For a period of time, we were very, very
- 7 excited about what the Facebook Platform could do,
- 8 not only for our business, but also for the web in
- 9 general. So at one point we visited basically to
- 10 give gifts to Facebook's employees. So we printed
- 11 hundreds of T-shirts and gave them -- T-shirts with
- 12 the iLike logo on them, and handed them out at
- 13 Facebook to -- you know, for free to their
- 14 employees. So that was one visit I recall.
- 15 And I remember, you know, a lot of
- 16 Facebook employees contacting me afterwards saying,
- 17 "Thanks for the free T-shirt." So -- and there
- 18 might have been some subsequent visits, you know, to
- 19 give T-shirts to people who had been missed.
- So, for example, Facebook Co-founder
- 21 Dustin Moskovitz contacted me saying could he get a
- 22 second T-shirt for his girlfriend. So it was a very
- 23 friendly relationship between the companies and
- 24 between me and the people at Facebook.
- 25 At the same time, we were also very

- 1 frustrated that the decisions they were making
- 2 around the enforcement of their terms, or rather,
- 3 the lack of enforcement of their terms, were making
- 4 it a unhealthy environment for consumers, first and
- 5 foremost, but therefore, also an unhealthy
- 6 environment for businesses that were trying to cater
- 7 to those consumers on the platform.
- And so we were trying to convince Facebook
- 9 to enforce its own terms and to prevent the -- some
- of the abusive behaviors that other third-party apps
- 11 were conducting on the platform.
- 12 Q. What types of abusive behavior are you
- 13 referring to?
- 14 A. So the terms of service at the time said
- 15 that apps were not allowed to deceive or mislead
- 16 users, they were not allowed to spam users, meaning
- 17 to send unsolicited messages to users, and also that
- 18 they were not allowed to violate third-party
- 19 copyrights. And different apps were doing all --
- 20 you know, all three of those things. The most
- 21 common was what I would say was deceptive spamming,
- 22 where an app would, without a user's permission,
- 23 send notifications to that user's friends telling
- 24 them that the user has invited them to use the app.
- 25 Q. And this document that's in front of you,

- 1 Exhibit 6, is a reference to deceptive apps, and it
- 2 also uses the term "spammy apps." Do you see that?
- 3 A. Yep.
- 4 MR. LERNER: Leading.
- 5 MR. GODKIN: Q. Is that what you're
- 6 referring to by these abusive behavior by others?
- 7 MR. LERNER: Mischaracterizes the
- 8 document.
- 9 THE WITNESS: Yes. This is -- these are
- 10 some examples. This was in August, and other types
- of abusive behaviors happened earlier, and others
- 12 happened later, but these are -- this is, you know,
- 13 characteristic.
- MR. GODKIN: Q. Did -- and -- strike
- 15 that.
- Was iLike engaging in deceptive spamming
- 17 or that kind of behavior that you were concerned
- 18 about?
- 19 A. No. We -- we always viewed it as -- our
- 20 relationship with the consumer as one that was a
- 21 branded relationship, and it was important for our
- 22 own brand not to do something that would be
- 23 perceived as reflecting negatively on the iLike
- 24 brand.
- 25 And so -- so even though it resided within

- 1 Facebook, we were trying to create a branded
- 2 relationship, as I said, where it was a relationship
- 3 between the consumer and iLike, and so we wanted to
- 4 build trust. And so for that reason, we never did
- 5 anything that was not with the permission of the
- 6 consumer. And we held ourselves, I guess, to our
- 7 own bar, regardless of what the terms or conditions
- 8 of Facebook were.
- 9 Q. And so your meeting with Adam D'Angelo was
- 10 concerning this issue of deceptive or spammy apps,
- 11 correct?
- MR. LERNER: Leading, mischaracterizes the
- 13 testimony.
- 14 THE WITNESS: I think it was one of the
- 15 topics. And I would say I met with Adam, as well as
- 16 many other people at Facebook over a period of
- 17 months to talk about, as I already said earlier,
- 18 abusive behavior by other third-party apps. Dave
- 19 Morin was another person I met with frequently. And
- then Dave was replaced by Chamath, and then Chamath
- 21 was replaced by Ben Ling, and then Ben Ling was
- 22 replaced by, I think, Josh Elman.
- 23 So there was a -- this was all in the
- 24 course of, I think, one year. There was a revolving
- 25 door of representatives that we would speak to and

- 1 voice our concerns and, you know, listen to what
- 2 they had to offer or say. So this meeting was just
- 3 one of -- one of many. It's hard for me to remember
- 4 exactly the subject of this meeting.
- 5 MR. GODKIN: Q. Sure. But in addition to
- 6 this issue regarding deceptive apps, spammy apps,
- 7 what were some of the other issues that you went to
- 8 meet with Facebook about?
- 9 MR. LERNER: Mischaracterizes the
- 10 testimony.
- 11 THE WITNESS: The -- we would also meet
- 12 with them from time to time to tell them about what
- 13 features we were anticipating creating. I forgot to
- 14 add Owen Van Natta as another person I met with.
- MR. GODKIN: Q. Can you spell his last
- 16 name?
- 17 A. V-A-N, space, N-A-T-T-A. He was the COO
- 18 at the time. He was the predecessor to Sheryl
- 19 Sandberg.
- So we also from time to time had meetings
- 21 where we would voluntarily present to them what our
- 22 plans were for future features we were going to add.
- 23 And I think we would also suggest to them ways that
- 24 we could help Facebook generate more revenue or
- 25 suggestions for what features we hoped that they

- 1 would create, or features -- new APIs that we hoped
- 2 that they would build for -- for the platform.
- 3 Q. How did Facebook respond to this e-mail,
- 4 which is Exhibit 6, on the -- you know, on the topic
- 5 of deceptive apps and spammy apps?
- 6 MR. LERNER: Vague and overbroad as to
- 7 Facebook.
- 8 THE WITNESS: So I think -- I mean,
- 9 reading this e-mail, I can read it back to you, but
- 10 I can tell you what I recall from that period was,
- 11 broadly speaking, there were many apps that
- 12 flagrantly violated Facebook's terms of service.
- 13 And when I say "flagrantly," it was visible to the
- 14 public, it was documented in articles written by,
- 15 you know, mainstream publications, and these
- 16 violations were, you know, public knowledge.
- 17 And we encouraged Facebook to enforce its
- 18 terms, including its, you know, explicit right to
- 19 disable those apps. And we encouraged them to do so
- 20 as a deterrent to send a message to everybody else
- 21 to -- you know, to non-abusive developers that, you
- 22 know, abuses won't be tolerated and that abuses
- 23 would be punished.
- 24 Facebook, generally speaking, chose a
- 25 different path, and Facebook, rather than employing

- 1 a deterrent, meaning rather than subjectively
- 2 picking -- you know, rather than identifying
- 3 individual abusers by hand and disabling those
- 4 abusers, Facebook instead chose to try to develop
- algorithms to detect abuse and block it, or more 5
- 6 kind of bluntly disabling entirely the APIs which
- 7 were most frequently targeted by abusers.
- 8 So if a certain notification API or
- 9 request API had been exploited by, you know, enough
- 10 abusers, that API might be modified or disabled
- 11 altogether, ostensibly to prevent further abuse.
- 12 MR. GODKIN: O. Was iLike -- was the
- 13 iLike Facebook app affected by Facebook's actions
- 14 with regard to disabling or modifying APIs?
- 15 MR. LERNER: Vague and overbroad.
- 16 THE WITNESS: Yes, it was. It was
- significantly harmed. 17
- 18 MR. GODKIN: Q. Explain to me how it
- 19 was --
- 20 Α. So the --
- Let me finish the question, just so the 21 0.
- 22 record's clear. Explain how iLike -- the iLike
- 23 Facebook app was significantly harmed by actions
- 24 taken by Facebook.
- 25 MR. LERNER: Lacks foundation.

1 THE WITNESS: ILike had already built a 2 business on its own dot-com website that consisted 3 of attracting new consumers and then retaining 4 communications with them via e-mail. And on 5 Facebook, on our Facebook app, we used the APIs as a 6 new way to attract consumers, and also as a new way to retain communication with them via the Facebook 7 8 notification system rather than via e-mail. 9 over time, our abilities to attract new consumers 10 were reduced and practically eliminated by the 11 changes in the platform. That reduced the 12 advantages that the Facebook Platform offered over 13 the stand-alone website that we had built. 14 Then more importantly, the ability to 15 communicate with our own customers through Facebook 16 notifications was eventually also removed, which 17 meant that they were no longer really our customers 18 per se, meaning we lost our own ability to notify 19 them about changes in our service or new features or 20 things that they depended on us for. 21 And so that second part had been a 22 prerequisite for us because we wanted to have a 23 business, and critical part of that business was the 24 ability to have a direct channel of communication 25 with our customers. And other apps used that

- 1 communication channel in abusive ways, you know,
- 2 sending unsolicited messages. Our app used it, for
- 3 example, to notify you that there's a Tom Petty
- 4 concert in your zip code next month. And when we
- 5 lost that ability to notify you of that, that
- 6 significantly reduced our value proposition to the
- 7 consumer and also our ability to make money.
- 8 MR. GODKIN: Q. So what change did
- 9 Facebook make, as best you can recall, that
- 10 interfered with your ability to communicate with
- 11 your customers?
- 12 MR. LERNER: Lacks foundation.
- 13 THE WITNESS: So the time of this e-mail
- 14 is just one point in this process. I would say over
- 15 the period of a year, the term Facebook used was
- "deprecating." "Deprecate" means to -- basically to
- 17 retire certain features or to reduce features or to
- 18 eliminate them altogether. And so over time,
- 19 Facebook deprecated various APIs that we used to
- 20 either communicate with our own customers or to
- 21 allow those -- allow our customers to communicate
- 22 with their friends about us.
- So they -- while I don't remember the
- 24 names of the specific APIs, I think there was a
- 25 notification API with actually several sub- --

- 1 subtypes of notifications, direct app-to-user
- 2 notifications or user-to-friend notifications, and
- 3 those notification APIs were one example of how we
- 4 communicated with consumers.
- 5 There was the News Feed API and there was
- 6 a Request API, and over time, all of these APIs were
- 7 deprecated. And so what started out as a very open
- 8 range of offerings to enable us to communicate with
- 9 our own customers and to enable our customers to
- 10 evangelize our services to their friends was
- 11 significantly restricted.
- 12 And several of those APIs were directly
- 13 linked to our revenue, and so our ability to make
- 14 money was gradually reduced and pinched because of
- 15 the deprecation of these APIs.
- MR. GODKIN: Q. Do you recall the time
- 17 frame over which these APIs were deprecated?
- 18 A. I think around the time of this e-mail is
- 19 when it began. So I think for the first -- June,
- 20 July, August -- for the first three months or so was
- 21 a period of a lot of abusive behavior by third-party
- 22 apps and not a lot of response by Facebook. And
- 23 then from August of 2007 to August of 2008 is -- and
- 24 into -- actually, into 2009. I'd say there was a
- two-year period where Facebook was generally

- deprecating APIs.
- 2 Q. Did you have communications with Facebook
- 3 about your concerns as a result of deprecating the
- 4 APIs?
- 5 A. We did. I don't remember whether it was
- 6 myself or my twin brother or a different individual
- 7 at iLike. You know, we would often huddle between
- 8 us on our side and discuss, and then we would choose
- 9 who should send what message to whom about it. And,
- 10 you know -- and raise the issue and ask for, you
- 11 know, them to change their mind or things like this.
- We would sometimes get advanced notice
- 13 that an API was going to be deprecated, and so we
- 14 would e-mail them protesting and saying, "Please
- don't do this," or, "There's a different way to
- 16 accomplish your goal," and so on.
- 17 Q. Do you recall the names of anybody at
- 18 Facebook that you communicated with to express your
- 19 concerns about deprecating APIs?
- 20 A. Besides the ones I mentioned, Ari
- 21 Steinberg. It's a maybe. I don't know for sure
- 22 whether I communicated with him on that topic.
- 23 There was a woman who reported to Ben Ling, whose
- 24 name I'm forgetting right now. No one else jumps to
- 25 mind right now.

- 1 Q. Did you communicate with Mr. Zuckerberg
- 2 about this?
- 3 MR. LERNER: Asked and answered.
- 4 THE WITNESS: Matt Cohler I mentioned. So
- 5 it's possible. We held a meeting with Mark
- 6 Zuckerberg and Chamath in fall of 2007, and the main
- 7 topic of the meeting wasn't the deprecation of APIs.
- 8 It was Facebook's plan to create their own music
- 9 services and their own pages for artists, both of
- 10 which were functionality that our app provided. And
- 11 we were -- we had been made aware in confidence that
- 12 Facebook intended to offer the same features, but
- 13 not on a level playing field via the platform,
- 14 rather as part of the Facebook core, so to speak.
- And so the main topic was us expressing
- 16 our frustration that Facebook was essentially
- 17 rendering a lot of our functionality into a sort of
- 18 second-class status, and, you know, less effective
- 19 than Facebook's proposed new features, and that it
- 20 was no longer a level playing field.
- 21 But it's quite possible that at the same
- 22 time we had -- we might have in the same meeting
- 23 discussed the deprecation of features. I don't -- I
- 24 don't remember how much API deprecation had happened
- 25 by then, so -- so that's why I don't remember

- 1 whether we discussed it at the time.
- 2 MR. GODKIN: Q. What did Mr. Zuckerberg
- 3 say during that meeting?
- 4 MR. LERNER: Asked and answered.
- 5 THE WITNESS: I remember him saying that
- 6 they had already built these features and
- 7 wouldn't -- wouldn't reconsider changing them.
- 8 So one specific feature was enabling
- 9 artists to have their own profiles that included
- 10 music and to play back music. And that was a key
- 11 thing that we had enabled. And likewise, the
- 12 ability for consumers to then add a song to their
- 13 profile from -- you know, to share with their
- 14 friends.
- 15 And Facebook had built their own music
- 16 player, not as an app, but as -- you know, as a core
- 17 feature. And so this was in contrast to the Video
- 18 app that they had said, "From now on we'll build our
- own new features on" -- "on our own platform." Now
- 20 the music -- this new music player app was -- was
- 21 not built on a platform. It was automatically
- 22 available to all users without an installation
- 23 process.
- 24 And so we were asking Facebook to consider
- 25 not releasing its own music player, and essentially

- 1 to shelve that technology or to release it as a
- 2 stand-alone app on a level playing field with our
- 3 music player. And I remember him saying that they
- 4 wouldn't consider doing that.
- 5 MR. GODKIN: Q. Did you -- were you of
- 6 the view that Facebook was not abiding by the
- 7 promises it had made when it released the Facebook
- 8 Platform to have a level playing field with
- 9 third-party app developers?
- 10 MR. LERNER: Lacks foundation, and calls
- 11 for a legal conclusion as to "promises."
- 12 THE WITNESS: I felt that Cohler had --
- 13 Matt Cohler had explicitly promised that, going
- 14 forward, Facebook's own features would be built on
- 15 the same platform that third-party apps would. And
- 16 I felt that that promise was not upheld in more ways
- 17 than one, but one example was this music player.
- 18 MR. GODKIN: Q. What other examples in
- 19 addition to the music player?
- 20 A. Well, the salient one is the Video app
- 21 itself. In 2007, the ability to post a video on
- 22 Facebook or to share it to your friends required
- 23 installing a separate Video app as if it's a
- 24 third-party app, just that happened to be made by
- 25 Facebook. And at one point they made the Video app

- 1 automatically available to everybody without a
- 2 installation required, and basically it became part
- 3 of Facebook's core as opposed to part -- as opposed
- 4 to an app on the platform. And so it was no longer
- 5 limited to the APIs that were available to platform
- 6 apps. It was -- had its own direct access.
- 7 So that's -- you know, that was the
- 8 specific salient example that they put forward at
- 9 the time. And then -- so this promise that their
- 10 own future development would be limited to the
- 11 platform was partly articulated by using Video, as
- 12 an example. And then Video itself changed, and it
- 13 was no longer a part of the platform.
- 14 Q. Can you think of any other examples of
- 15 things that Facebook did that were inconsistent with
- 16 representations that had been made at the F8 in
- 17 2007?
- 18 MR. LERNER: Vague, overbroad, lacks
- 19 foundation, and leading.
- 20 THE WITNESS: I could think of other
- 21 examples where features that a third party had built
- on the platform were then built into Facebook's
- 23 core, and therefore not on a -- not competing on a
- level playing field with Facebook's own features.
- MR. GODKIN: Q. What features can you

- 1 think of?
- 2 A. So, actually, it's mentioned here.
- 3 SuperWall and Advanced Wall, and there was another
- 4 one called FunWall. Those were third-party apps,
- 5 all variations of a multimedia wall.
- And when I say "wall," in context,
- 7 Facebook in 2007 allowed any user to post a comment
- 8 on another user's profile, and that was called "on
- 9 their wall. So I can write on your wall, meaning I
- 10 could write text on your wall. "Your wall" meant
- 11 your profile, and it was limited to text.
- 12 And these third-party features -- these
- 13 third-party apps enabled multimedia, meaning I could
- 14 write not only text, but add photos and video. And
- so if you installed the FunWall or SuperWall or
- 16 Advanced Wall app, now your friends could post video
- 17 on your wall or they could post graphics on your
- 18 wall.
- 19 And these capabilities were not available
- 20 within Facebook's own profiles. Today they are, and
- 21 they don't require installing any -- any app.
- 22 Q. Can you think of any other examples of
- 23 things that Facebook did that were inconsistent with
- 24 representations that had been made at the F8 in
- 25 2007?

1 MR. LERNER: Lacks foundation, 2 mischaracterizes the testimony, and it's leading. I mean, let me -- --3 THE WITNESS: building a music player and artist pages that 4 5 competed with iLike's own music player and iLike's 6 artist pages, I think I already mentioned that. 7 But this language from this Q and A, which 8 Exhibit 4, was language that -- although I don't 9 recall reading it in this Q and A, was language that 10 I recall hearing, perhaps in this Q and A, but 11 hearing in communication from Facebook, that said 12 that applications from third-party developers are on 13 a level playing field with applications built by 14 Facebook. 15 So having a music player and a -- and 16 artist pages that were not on a level playing field 17 was a breach of what I would say was that promise. 18 And -- you know, and what that enabled was for 19 Facebook to go to artists and say, "You should put your music on our Facebook," you know, "Facebook's 20 21 official music pages rather than on the iLike pages, 22 because ours are, " you know, "superior and theirs 23 are, " you know, "inferior." 24 While I wasn't there for Facebook -- I 25 wasn't there to witness Facebook saying those

- 1 things, it put them in a position to say things like
- 2 that. And we would hear back from various artists,
- 3 artists who told us that they had heard that kind of
- 4 a thing from Facebook, and that Facebook was telling
- 5 them to, you know, essentially migrate their
- 6 presence from iLike onto Facebook's own pages
- 7 because it was going to be superior. So that is not
- 8 a level playing field.
- 9 And then another thing that was a feature
- 10 of our application was the -- we had a button that
- 11 was present all over our application that was called
- 12 the "iLike" button, and you could click that button
- 13 to designate that you liked a song or an artist or a
- 14 concert. And then it would be inserted into the
- 15 News Feed so that your friends could see, you know,
- 16 Dave has iLiked this concert or this artist.
- 17 And Facebook later built a similar feature
- 18 with a button called "Like." And the Facebook
- 19 feature did not require an app to be installed. It
- 20 was built into the Facebook core rather than on the
- 21 platform. And I would say, again, that was an
- 22 example of not being a level playing field. It was
- 23 much easier for consumers to discover these native
- 24 "Like" buttons that were part of the Facebook core
- 25 vis-a-vis the "iLike" buttons that required an app

- 1 to be installed.
- 2 MR. LERNER: And I'm just going to object
- 3 to all the hearsay.
- 4 MR. GODKIN: Q. Do you know approximately
- 5 when Facebook added its own "Like" button?
- 6 MR. LERNER: Mischaracterizes the
- 7 testimony, and lacks foundation.
- 8 THE WITNESS: I would -- I would have to
- 9 consult -- I'd have to do a search. I remember
- 10 clearly when we found out that it was happening. It
- 11 was no small deal for us. I just don't remember
- 12 whether it was early -- mid 2008 or late 2008 or
- 13 2009.
- 14 MR. GODKIN: O. Was it before or after
- you sold the company to MySpace?
- 16 A. I think it was before, but even that's a
- 17 hazy memory.
- 18 Q. Did you communicate with Facebook once you
- 19 found out that they had added their own "Like"
- 20 button?
- 21 A. They communicated with us in advance that
- 22 it was coming. It was from Dan Rose to my brother.
- 23 I don't remember how or if we communicated back.
- Q. What was the impact on your company,
- 25 iLike, by all of these changes that Facebook was

- 1 making, including deprecating APIs, as you testified
- about, the "Like" button, and the other examples?
- 3 MR. LERNER: Vague.
- 4 MR. GODKIN: Q. How did that affect your
- 5 company?
- 6 MR. LERNER: Vague and overbroad, and it's
- 7 asked and answered.
- 8 THE WITNESS: It became clear to us that
- 9 there was no way to maintain the business we had
- 10 built on our Facebook app, and so it became clear to
- 11 us that whatever business we had in our Facebook app
- 12 was short-lived, and that we should re- -- reorient
- ourselves to the parts of our business that were
- 14 elsewhere that were unrelated to Facebook.
- 15 And this was a dire situation for us
- 16 because most or of our business at this point was on
- 17 our Facebook app. So essentially the most
- 18 significant part of our business, we realized, was
- 19 unlikely to last very long. And that's because most
- of the things we relied on, both for consumer
- 21 engagement and for revenue, had either disappeared
- 22 or were on their way to being deprecated.
- Furthermore, Facebook was competing with
- 24 our own features directly. So -- and not on a level
- 25 playing field. And so it was, you know, gradually

- 1 adding customers faster than we were, and we foresaw
- 2 that it was, you know, unlikely for us to be able to
- 3 retain those customers since it was not a level
- 4 playing field.
- 5 MR. GODKIN: Q. When did you sell the
- 6 business to MySpace?
- 7 A. Fall of 2009. I think September 2009 is
- 8 when it closed.
- 9 Q. And what was the sale price?
- 10 A. I'm not sure if I'm allowed to disclose
- 11 because it's confidential.
- 12 Q. Okay.
- 13 MR. LERNER: It's not.
- 14 MR. GODKIN: It's not confidential?
- MR. LERNER: I can look it up on the
- 16 Internet for you right now.
- 17 MR. GODKIN: Yeah.
- 18 THE WITNESS: I can tell you the public
- 19 reported numbers --
- MR. GODKIN: O. That's fine.
- 21 A. -- were in the neighborhood of
- 22 \$20 million.
- 23 Q. To your understanding, did the amount for
- 24 which you were able to sell the company, was that
- amount affected one way or the other by all of these

- 1 changes that Facebook was making?
- 2 A. Yes.
- 3 Q. How?
- 4 A. So the biggest factor is that it -- they
- 5 significantly impeded our ability to retain or
- 6 attract employees. So our staff collectively was
- 7 either quitting or threatening to quit, and it was
- 8 very difficult for us to recruit any new staff.
- 9 But also, the products that we sold were
- 10 disappearing. So one of our means for revenue would
- 11 be to approach a touring artist, such as, to use
- 12 your example, Tom Petty, although specifically, I
- 13 mean, actual examples were U2, Coldplay, other major
- 14 artists. And we would offer to promote their
- 15 concert more aggressively than what we already did
- 16 in return for cash.
- So our app for free would notify all U2
- 18 fans within a five-mile radius that "There is a U2
- 19 concert coming up near you in the next two months."
- 20 But if U2 would pay us extra money, we would notify
- 21 all fans in a 20-mile radius or 50-mile radius to
- reach a larger audience of, you know, prospective
- 23 concert ticket buyers. And in return for cash, we
- 24 would send those notifications to those fans.
- Our ability to do that and to collect that

- 1 money required us to have an ability to notify these
- 2 fans, and these fans, who were our users of our app,
- 3 we did have that ability to notify them until that
- 4 ability was deprecated and we lost that ability to
- 5 notify those fans. And so we lost the ability to do
- 6 the thing that paying customers were paying us to
- 7 do.
- 8 So our business forecasts had to be
- 9 slashed because one of our most lucrative sources of
- 10 revenue disappeared. So that impacted the
- 11 valuation.
- 12 Q. Was the Facebook application -- strike
- 13 that.
- Was iLike's Facebook app still functioning
- 15 at the time the company was sold to MySpace?
- 16 A. It was, yes.
- 17 Q. And you stayed with MySpace for a period
- 18 of time?
- 19 A. Yes.
- 20 Q. What was your job at MySpace?
- 21 A. I became VP of business development at
- 22 MySpace.
- 23 Q. And how long did you stay at MySpace?
- 24 A. Full-time, about six months, maybe seven
- 25 months, and then I remained as a consultant maybe

- 1 clear, the -- I have the protective order that's in
- 2 place in the case, and I believe it -- hang on. Let
- 3 me just check.
- 4 MR. LERNER: We can go off the record to
- 5 do this.
- 6 MR. GODKIN: It will just take me a
- 7 second.
- 8 MR. LERNER: Let's go off the record so we
- 9 can cover this.
- 10 MR. GODKIN: All right.
- MR. LERNER: You need to agree.
- MR. GODKIN: No, I think you're right. So
- 13 I'm agreeing with you.
- 14 THE VIDEOGRAPHER: Off the record at
- 15 12:35.
- 16 (Discussion off the record.)
- 17 THE VIDEOGRAPHER: Back on the record at
- 18 12:35.
- MR. GODKIN: Q. Mr. Partovi, do you know,
- 20 or to your knowledge, did Facebook ever make a
- 21 public announcement that third-party apps would not
- 22 be on a level playing field with Facebook apps?
- MR. LERNER: Vaque and overbroad.
- 24 THE WITNESS: Certainly not in 2007. Did
- 25 they sometime later than that do so? Nothing comes

- 1 to mind. What I would say is that when they
- 2 announced this so-called Great Apps program, which I
- 3 think might have been mid 2008, it inherently
- 4 implied it's not a level playing field because there
- 5 are Great Apps and then there are other apps, and
- 6 that the Great Apps are somehow superior -- you
- 7 know, given benefits not available to the rest.
- 8 So that public announcement, at least in
- 9 between, you know, apps, suggested that the playing
- 10 field was not level. I don't think there was any
- 11 explicit statement saying that Facebook's own core
- 12 features would be even a higher level of capability,
- 13 although it was -- by then it was already, you know,
- 14 in practice and kind of obvious.
- MR. GODKIN: Q. Did you ever -- strike
- 16 that.
- 17 I think you testified earlier this morning
- 18 about some conversations you had with at least one
- 19 person who was in corporate development for
- 20 Facebook, and I can't remember the name of the
- 21 person. Do you remember what you told me? Or I can
- 22 look at my notes.
- 23 A. Dan Rose was in corporate development. I
- 24 don't remember if Allison Rosenthal was. Allison
- 25 Rosenthal was in business development, but -- I

- don't understand -- I don't know what you're asking.
- 2 Q. Maybe I've used the wrong -- sorry, I
- 3 might have used the wrong term. I meant to ask, was
- 4 there somebody that you talked to or met with who
- 5 was in business development at Facebook?
- 6 MR. LERNER: Vague and overbroad.
- 7 THE WITNESS: Allison Rosenthal. And that
- 8 was in the pre-platform, you know, 2006, early 2007
- 9 time frame. There were others. Dan Rose was a
- 10 person that I did not communicate with so much. My
- 11 brother had more communications with Dan Rose. And
- 12 I believe he was the -- if I'm not mistaken, head of
- 13 business development, but I'm not sure his official
- 14 title. It might have been head of corporate
- 15 development.
- MR. GODKIN: Q. And so I'm focusing now
- on meetings that you personally had --
- 18 A. Okay.
- 19 Q. -- with business development people. Can
- you identify or do you recall any specific meetings
- 21 that you had with business development people?
- MR. LERNER: Lacks foundation.
- THE WITNESS: There were many over the
- 24 course of the years, but the -- if we're talking now
- 25 about post F8, after our app had gone through this,

- 1 you know, period of, you know, success and then
- 2 having features deprecated, we -- we were trying to
- 3 sell the company. And I met with a team at Facebook
- 4 that was led by Ethan Beard, and he was an ex-Google
- 5 guy. I forget if he was in corporate development or
- 6 business development, but, you know, he was
- 7 relatively new at Facebook, if I remember correctly,
- 8 and we were -- I'm sorry. Take it back. I think
- 9 that -- I take it back. He was not in corporate
- 10 development or business development. I think
- 11 actually he had become the head of the platform
- 12 team. Forgive me, because it's so long ago, and the
- 13 titles I don't remember.
- 14 And I remember another name now. Elliot
- 15 Schrage, Schrage. Schrage. So I think in
- 16 that sequence I told you before, after Josh Elman
- 17 came Elliot Schrage, and then Elliot Schrage either
- 18 moved to a different role or to a higher role, and
- 19 then Ethan Beard came in maybe under him.
- So in that earlier succession of people
- 21 who we interacted with was Elliot and then Ethan.
- 22 And Ethan, I think, was head of the platform, but we
- 23 had a conversation with him relating to the
- 24 possibility of Facebook acquiring the company.
- MR. GODKIN: Q. Approximately when did

- 1 that conversation take place?
- 2 A. I think in 2009.
- 3 Q. And who attended? Was it a meeting or a
- 4 telephone call?
- 5 A. It was a meeting.
- 6 Q. Who attended the meeting?
- 7 A. I don't remember the other attendees. It
- 8 was -- there were more than one people.
- 9 Q. From --
- 10 A. Sorry. There were multiple people.
- 11 Q. From Facebook?
- 12 A. From Facebook. I think I might have been
- 13 the only one from iLike.
- 14 Q. Was the meeting at Facebook's
- 15 headquarters?
- 16 A. It was.
- 17 Q. And tell me everything you can remember
- 18 about the discussion at that meeting.
- 19 A. I mean, the most salient thing I remember
- 20 was that there -- Ethan said at some point, you
- 21 know -- you know, that, "We," meaning Facebook,
- 22 "could acquire you, but not for very much." And I
- remember asking, "Why not for very much?" and him
- 24 saying, "Because we could just shut you down."
- 25 And the reason this, you know, has stuck

- 1 in my memory is because I took it as somewhat of a
- 2 threat, and I -- I don't know whether he intended it
- 3 to be conveyed as a threat or just a, you know,
- 4 passing observation on his part, but I remember
- 5 immediately notifying other people on my team that
- 6 now Facebook has articulated this explicit threat.
- 7 I don't -- it had never been articulated
- 8 before, that they could -- or that they would
- 9 consider arbitrarily shutting us down. And, you
- 10 know, when you're threatened, it only takes once.
- 11 You don't forget it. So from that point on, we
- 12 lived under that threat.
- 13 Q. Who on your team did you communicate what
- 14 had been said to --
- 15 A. Definitely my brother, Hadi, and I'm
- 16 pretty sure Nat Brown.
- 17 Q. Back in the 2007-'8 time frame, were you
- 18 familiar with Facebook's privacy settings and
- 19 controls?
- 20 A. I was. They've changed so many times that
- 21 I don't remember right off the top of my head what
- 22 they were then.
- 23 Q. Do you recall at that time, 2007-2008,
- 24 were -- were Facebook users able to control what
- 25 information was accessible to other Facebook users?

- 1 MR. LERNER: Overbroad and calls for
- 2 speculation.
- 3 THE WITNESS: You know, my recollection of
- 4 this is hazy, but with that giant disclaimer, what I
- 5 remember is that at the time that the platform first
- 6 opened up, meaning the first F8, the controls
- 7 offered to consumers were not very much, and --
- 8 some, but not very much.
- 9 And in particular, what I remember as
- 10 pertains to our discussion is that third-party apps
- 11 like ours could, through one user, see the data of
- 12 that user's friends, as I mentioned earlier, as long
- 13 as though the one who was our customer himself or
- 14 herself could see those -- his friends' information.
- So if our customer's John, and his friend
- is Mary, if John can see Mary's birthday, then we
- 17 could also see Mary's birthday, as long as John gave
- 18 us permission. At some point I think that ability
- 19 was restricted, but I don't remember when or exactly
- 20 what the new restriction was.
- MR. GODKIN: Q. Now, fast-forward to like
- 22 2014. In 2014, did you have anything -- any
- 23 knowledge of the Facebook Platform at that time
- 24 vis-a-vis any of the businesses you invested in or
- 25 consulted for?

- 1 conference called F8, right?
- 2 A. Yeah.
- 3 Q. And your testimony was that iLike had
- 4 already taken an investment from all the VC
- 5 investors at least prior to F8, right?
- 6 A. Correct. The main investors were Khosla
- 7 Ventures and a strategic investment from
- 8 Ticketmaster.
- 9 Q. And you have testified a little bit today
- 10 about what you called some promises. And I have a
- 11 question for you, which is, are you testifying that
- 12 anyone at Facebook actually promised you that
- 13 Facebook would only develop its products after F8
- 14 like other app developers as apps?
- MR. GODKIN: Objection.
- 16 THE WITNESS: I don't remember whether the
- 17 word "promise" was used. I remember it more in the
- 18 realm of, "We will not do this," or, "We will only
- 19 do that." So --
- MR. LERNER: Q. Is it your testimony that
- 21 anybody even represented to you that Facebook would
- 22 never develop core products after F8?
- MR. GODKIN: Objection.
- 24 THE WITNESS: So the way the FAQ here
- 25 states jives with what I remember the

- 1 representations from Facebook executives in person,
- 2 which was applications from third-party developers
- 3 would be on a level playing field with applications
- 4 built by Facebook.
- 5 MR. LERNER: Q. Do you see anything there
- 6 about Facebook core products there?
- 7 MR. GODKIN: Objection.
- 8 THE WITNESS: So no, not in that FAQ. I
- 9 remember Matt Cohler representing to me at F8 that
- 10 Facebook's own new features would be built using the
- 11 platform.
- MR. LERNER: Q. And so your testimony is
- 13 that Mr. Cohler represented to you that from that
- 14 date forward, all Facebook new features would be
- 15 built as apps on the platform?
- 16 A. More or less. You know, when you say
- 17 "all," if they had made -- you know, if they had
- 18 made modest changes to the other parts, we would not
- 19 have been surprised, but dramatic changes, we would
- 20 have been surprised and we were surprised.
- 21 Q. Okay. Let's back up. I just -- I want to
- get to not more or less, but exactly what you claim
- 23 Mr. Cohler represented to you. Did Mr. Cohler
- 24 represent to you that from that day forward,
- 25 Facebook would never develop its own core products

- 1 Plaintiff's representations in this complaint, you
- 2 were neither a advisor with an agreement nor
- 3 yourself initially a shareholder, correct?
- 4 MR. GODKIN: Objection.
- 5 THE WITNESS: I was a shareholder at this
- 6 point.
- 7 MR. LERNER: Q. Understood. But you only
- 8 became a shareholder after your brother transferred
- 9 shares to the entity that you and he share, correct?
- 10 A. Yes. All of that was prior to 2007,
- 11 though. I think that was in 2005 or '6.
- 12 Q. Okay.
- 13 A. So at the time of this Q and A, I was a
- 14 shareholder. At the time of F8, I was a
- 15 shareholder. Whether I was an advisor or not is a
- 16 semantic. I was -- I was helping my brother help
- 17 them. He was a formal advisor, and -- you know, and
- 18 I was informally.
- 19 Q. Okay.
- 20 A. You didn't ask, but I'll say that the word
- 21 "induce" here is not how I would describe my role at
- 22 all.
- 23 Q. How would you describe your role?
- 24 A. So what it says here was that I, as an
- 25 ally -- you know, in my capacity as an ally of

- 1 Facebook, was committed to helping them grow their
- 2 platform and to induce developers to participate.
- 3 While I was a shareholder of Facebook, my main
- 4 allegiance was to my own corporation, iLike, and I
- 5 was committed to helping iLike build its business.
- 6 To the extent that the platform on its face had
- 7 benefits that everybody could see, I was touting
- 8 those benefits, but not with any inducement goal in
- 9 mind.
- 10 And, you know, it wasn't -- I would never
- 11 have described it as saying I was committed to
- 12 helping them -- helping Facebook grow that operating
- 13 system or to induce anyone to doing anything. I was
- 14 committed to helping iLike grow.
- 15 Q. Indeed. As you testified, you tried to
- 16 get an exclusive deal, right?
- 17 A. That's correct. Before the platform
- 18 launched, yeah.
- 19 Q. Right.
- 20 A. Which is, frankly, what any company would
- 21 do.
- 22 Q. Right. You understand there were risks in
- 23 depending on Facebook, correct?
- 24 A. Did I understand at the time? Yes.
- 25 Q. And you understood very well by, for