

IO Group, Inc. v. Veoh Networks, Inc.

Arthur Bilger

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA

PURSUANT TO FRCP (30)(b)(6)

IO GROUP, INC., a California	)	
corporation,	)	
	)	
Plaintiff,	)	
	)	
versus	)	No. C-06-3926 (HRL)
	)	
VEOH NETWORKS, Inc., a	)	
California corporation,	)	
	)	
Defendant.	)	
_____	)	

DEPOSITION OF: ARTHUR BILGER

TAKEN ON: June 5, 2007

26770

CHIA MEI JUI

CSR No. 3287

1 DEPOSITION OF ARTHUR BILGER,  
2 taken on behalf of the Plaintiff at  
3 880 Apollo Street , Suite 222,  
4 El Segundo, California, on Tuesday,  
5 June 5, 2007, at 1:10 P.M.  
6 before Chia Mei Jui, CSR No. 3287.

7  
8 APPEARANCES:

9 For Plaintiff:

10 IO GROUP, INC.  
11 BY: GILL SPERLEIN, GENERAL COUNSEL  
12 121 Capp Street  
13 Suite 200  
14 San Francisco, California 94110-1209  
15 (415) 487-1211

16 For Defendant Veoh Networks, Inc., and  
17 Shelter Capital Partners, LLC, and the  
18 Deponent Arthur Bilger:

19 WINSTON & STRAWN, LLP  
20 BY: JENNIFER A. GOLINVEAUX, ESQ.  
21 101 California Street  
22 San Francisco, California 94111-5894  
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I N D E X

WITNESS	PAGE
ARTHUR BILGER	
By Mr. Sperlein	4

E X H I B I T S

PLAINTIFF'S	PAGE
1 Amended Notice of Deposition of Shelter Capital Partners, LLC Pursuant to FRCP 30(b)(6)	45

I N F O R M A T I O N R E Q U E S T E D

(None.)

Q U E S T I O N S M A R K E D

(None.)

1 El Segundo, California  
2 Tuesday, June 5, 2007  
3 1:10 P.M.

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6  
7 ARTHUR BILGER,  
8 having been duly sworn  
9 to tell the truth,  
10 was examined and testified as follows:

11  
12 EXAMINATION

13 BY MR. SPERLEIN:

14 Q Good afternoon, Mr. Bilger.

13:10:32

15 Thank you for coming. I know you're busy.  
16 I'm going to try to keep things as short as possible  
17 today. And I hope it wasn't too far for you. We  
18 tried to get a location that was convenient.

19 Have you ever had your deposition taken  
20 before?

13:10:45

21 A Yes.

22 Q So you are familiar with this process. But  
23 I am going to go over the ground rules just to make  
24 sure that we have a record, that we're clear on that  
25 process.

13:10:53

13:10:54 1 As you probably know, the court reporter  
2 will be taking down everything that we say today; so  
3 it's important that you allow me to finish my  
4 sentences before you start to respond.

13:11:05 5 And in turn I will do the same thing. I'll  
6 do my best to make sure you are finished with your  
7 answer before I start to ask my next question.

8 Can we keep that in mind today?

9 A Yes.

13:11:15 10 Q And, similarly, the court reporter can't  
11 record nods of the head and has difficulty with  
12 words like "Uh-huh" and things like that.

13 So to the best of your ability, please keep  
14 in mind to use -- say "Yes" or "No" and use verbal  
15 communications when responding to my questions.

16 Okay?

17 A Yes.

18 Q It's very important that you understand my  
19 questions. So if there is something that you don't  
13:11:39 20 understand, feel free to ask me about that. You can  
21 have me repeat the question to you.

22 We can ask the court reporter to read the  
23 question back to you. Or if there is words that you  
24 are unsure of how I am intending to use them in that  
13:11:54 25 particular question, you can ask me to clarify those

13:59:35 1 aware that Veoh allowed sexually explicit video  
2 files on its system?

3 A No.

4 Q Did discovering this fact cause concern for  
13:59:55 5 Shelter?

6 A Yes.

7 Q And what was the nature of that concern?

8 A We felt that it would be harmful to the  
9 business that we were trying to build.

14:00:23 10 Q Was it your concern that the Veoh Networks  
11 would be perceived as an adult business?

12 A Yes.

13 Q Did you believe that that would make it  
14 more difficult for you to -- for Shelter -- or --

14:00:46 15 I'm sorry. For Veoh -- start over so it's clear.

16 Were you concerned that the appearance of  
17 sexually explicit video files on the system would  
18 make it difficult for you to form relationships with  
19 mainstream content producers?

14:01:07 20 A Yes.

21 Q Why is that?

22 Why do you think that would become more  
23 difficult because of the sexually explicit material?

24 A Because mainstream content producers don't  
14:01:25 25 want their content alongside sexually explicit --

14:01:28 1 and advertisers don't want their brands associated  
2 with it.

3 Q Is it your testimony that, prior to the  
4 spring of 2006, Shelter was unaware that Veoh  
14:01:55 5 allowed sexually explicit video files on the Veoh  
6 system?

7 A I don't know what I might have known prior  
8 to that. My testimony is that I specifically  
9 remember the spring of '06.

14:02:08 10 Q Why is it that you specifically remember  
11 that?

12 A Because there was a large increase of  
13 traffic and sexual content that was brought to my  
14 attention.

14:02:33 15 Q Did that -- did the increase in traffic  
16 that you just spoke of -- do you know if it was  
17 directly related to the availability of adult  
18 content on the Veoh system?

19 MS. GOLINVEAUX: I object. I think that  
14:02:47 20 misstates the testimony.

21 BY MR. SPERLEIN:

22 Q What I am trying to get at is did -- was  
23 there a surge in traffic and then, in seeking an  
24 understanding of why there was -- the site was  
14:02:59 25 become being more popular, you learned that it was

14:03:03 1 associated with adult material being on the  
2 Web site?

3 MS. GOLINVEAUX: I'm not sure what the  
4 question is; so I object.

14:03:12 5 BY MR. SPERLEIN:

6 Q Mr. Bilger --

7 A I don't know what was the chicken and the  
8 egg at that time.

9 Q Was there a large increase of traffic,  
10 regardless of nature of traffic, to veoh.com in the  
11 spring of 2006?

12 A Yes.

13 Q Did knowledge of the increased amount of  
14 adult material on veoh.com in the spring of 2006  
15 prompt Shelter to take any action?

16 A Not that I recall.

17 Q Did Shelter communicate via you or someone  
18 else to Veoh that they were concerned about this  
19 situation?

14:04:21 20 A I don't recall.

21 Q And do you recall if Shelter specifically  
22 said "We don't think you should allow adult video  
23 files on the Veoh network anymore"?

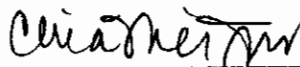
24 A I don't recall.

14:04:41 25 Q Do you know if -- strike that.



1 I, CHIA MEI JUI, CSR 3287, certify:  
2 That the foregoing deposition of  
3 ARTHUR BILGER was taken before me at the time and  
4 place therein set forth, at which time the witness  
5 declared under penalty of perjury to tell the truth;  
6 That the testimony of the witness and all  
7 objections made at the time of the deposition were  
8 recorded stenographically by me and were reduced to  
9 a computerized transcript under my direction;  
10 That the transcript is a true record of the  
11 testimony of the witness and of all objections and  
12 colloquy made at the time of the deposition.  
13 I further certify that I am neither counsel  
14 for nor related to any party to said action nor  
15 interested in the outcome thereof.  
16 The certification of this transcript does  
17 not apply to any of the same by any means unless  
18 under the direct control and direction of the  
19 certifying deposition reporter.  
20 IN WITNESS WHEREOF, I have subscribed my  
21 name this 18th day of June, 2006.

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23  
24  
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CHIA MEI JUI, CSR No. 3287