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IN THE UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF COLORADO

Case No. 11-CV-00520-PAB-BNB

30(b)(6) DEPOSITION OF HEALTH GRADES, INC.,

Representative Allen Dodge

and

DEPOSITION OF ALLEN DODGE

June 28, 2012

HEALTH GRADES, INC.,

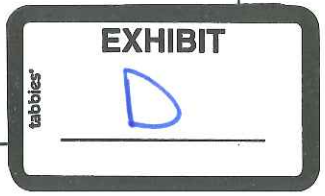
Plaintiff,

v.

MDX MEDICAL, INC. d/b/a VITALS.COM,

Defendant.

Job No. NJ403425



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Pursuant to Notice and the Federal Rules of Civil Procedure, the 30(b)(6) Deposition of Health Grades, Inc. and Deposition of Allen Dodge, called by Defendant, was taken on Thursday, June 28, 2012, commencing at 8:13 a.m., at 1200 Seventeenth Street, Suite 3000, Denver, Colorado, before Kelly A. Mackereth, Certified Shorthand Reporter, Registered Professional Reporter, Certified Realtime Reporter and Notary Public within Colorado.

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PRODUCTION REQUEST(S):

None.

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PREVIOUSLY MARKED EXHIBITS

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P R O C E E D I N G S

ALLEN DODGE,

having been first duly sworn, was examined and testified as follows:

(Exhibit 62 marked.)

EXAMINATION

BY MR. STIMPSON:

Q Good morning, Mr. Dodge. My name is Scott Stimpson. I'll be taking your deposition today. Have you had your deposition taken before?

A Yes, I have.

Q So how many times have you had your deposition taken?

A Approximately ten.

Q For the record, can you just state your name and address?

A Yes. Allen Dodge. And address is 6255 Noble, N-O-B-L-E, Street. That's Arvada, Colorado 80403.

Q Okay. I won't go through the details, since you've had ten depositions; that's a lot. I think that's a record for me of taking anybody's deposition. I think it's enough to say that you know

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the procedures, right?

So I'll be asking you questions today. You'll be expected to answer truthfully and completely. Do you understand?

A I do.

Q If there's anything about my question you don't understand, please just let me know and I'll be happy to clarify it for you, okay?

A Yes.

Q Were any of those ten depositions related to patents?

A No, they were not.

Q Any related to the Health Grades website?

A Yes, one of them. One of them was.

Q Which one was that?

A We had a lawsuit that Health Grades brought against two former employees.

Q Okay. And what was the lawsuit about?

A The lawsuit was with respect to the two employees while they were employed at Health Grades created a site that was competitive with Health Grades and tried to monetize that site.

Q Okay. So during the course of the deposition, Mr. Vazquez may be objecting; that's

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pretty normal. Just so you know, you'll be expected to answer unless he instructs you not to answer, okay?

A Yes.

Q Can you please give me a summary of your education after high school?

A Sure. I have a bachelor of arts in business economics from University of California at Santa Barbara. And I have an active CPA license in Colorado.

Q Okay. Anything else for formal education?

A Nothing formal, other than obviously with the CPA license continuing education that occurs every year.

Q Right. I understand. We are stuck with the same thing in law as lawyers.

When did you graduate from the University of California?

A In 1990.

Q Okay. And what did you do after college? Where did you start to work?

A I started at Coopers & Lybrand in Los Angeles, which at that time was, I believe, one of the Big Eight accounting firms.

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Q Yeah.

A It's changed a lot since then.

Q Yeah.

A So that's where I went to work immediately out of college.

Q Okay. And how long did you work for Coopers?

A I worked for Coopers until mid part of '94.

Q What did you do after -- what was your position at Coopers?

A At Coopers I was an audit associate. I believe -- I think by the time I left I would have been a senior associate at Coopers & Lybrand.

Q What did you do after you left Coopers?

A After I left Coopers, I moved to Denver, Colorado and joined with Ernst & Young.

Q Why did you leave Coopers?

A At the time I was married and, frankly, wasn't interested in raising a family in LA. So I moved out with my wife with a couple of friends that were couple friends of ours, and I wanted to start a family in Denver.

Q Any other reasons?

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A No.

Q So how long were you at Ernst & Young?

A I was at Ernst & Young from the middle of 1994 until September of 1997.

Q What was your position at Ernst & Young?

A Senior associate. And I was promoted to manager, I believe, in 1993. So senior associate to manager between -- sorry, I see your expression, I apologize -- from 1994 I was a senior associate. By the time I left in September 1997 I had become manager.

Q Why did you leave Ernst & Young?

A I was really recruited into a company called Specialty Care Network, which is the predecessor to Health Grades.

Q Any other reasons you left there?

A I was really interested in moving out of public accounting and into industry. I really wanted to be part of an organization, part of a company versus public accounting.

Q Okay. And what was your position at Specialty Care Network when you started there?

A When I started, I came on as corporate controller.

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Q And what was the responsibility there for corporate controller?

A I was responsible for the financial and accounting aspects of the business, so SEC filings, day-to-day accounting, things of that nature.

Q Can you remind me what the business of Specialty Care Network was, please?

A Sure. Specialty Care Network was in the business of rolling up physician practices. It was formed as an orthopedic physician practice rollup.

Q What do you mean rollup?

A Rollup means back at the time around 1997 there were a number of industries that were engaging in what are typically called in SEC parlance rollup transactions, which essentially means you would bring organizations together at historical cost versus having to fair value an organization. So it was somewhat -- niche is probably not a good word, but it was a type of transaction that was similar in other industries.

Our model was essentially to bring the practices together and get economies of scale, help the physicians get away from having to deal with things such as purchasing, collecting on AR, and