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             UNITED STATES DISTRICT COURT
         FOR THE SOUTHERN DISTRICT OF NEW YORK
VIACOM INTERNATIONAL, INC., COMEDY )
PARTNERS, COUNTRY MUSIC
TELEVISION, INC., PARAMOUNT
PICTURES CORPORATION, and BLACK
ENTERTAINMENT TELEVISION, LLC,
                 Plaintiffs,
                                   ) NO. 07-CV-2203
vs.
YOUTUBE, INC., YOUTUBE, LLC,
and GOOGLE, INC.,
                 Defendants.
THE FOOTBALL ASSOCIATION PREMIER
LEAGUE LIMITED, BOURNE CO., et al.,)
on behalf of themselves and all
others similarly situated,
                 Plaintiffs,
                                   ) NO. 07-CV-3582
VS.
YOUTUBE, INC., YOUTUBE, LLC, and
GOOGLE, INC.,
                 Defendants.
           VIDEOTAPED DEPOSITION OF CHAD HURLEY
                SAN FRANCISCO, CALIFORNIA
                WEDNESDAY, APRIL 22, 2009
BY: ANDREA M. IGNACIO HOWARD, CSR, RPR, CLR
JOB NO. 16789
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Page 2
1 APRIL 22, 2009
9:08 a.m.
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4 VIDEOTAPED DEPOSITION OF CHAD HURLEY,
5 held at the offices of SHEARMAN & STERLING,
525 Market Street, San Francisco, California,
pursuant to notice, before ANDREA M. IGNACIO
8 HOWARD, CLR, CCRR, RPR, CSR License No. 9830.
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1	APPEARANCES:
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3	FOR THE PLAINTIFFS VIACOM INTERNATIONAL, INC.:
4	JENNER & BLOCK, LLP
5	By: SCOTT WILKENS, Esq.
6	1099 New York Avenue, NW, Suite 900
7	Washington, D.C. 20001
8	(202) 639-6000 swilkens@jenner.com
9	
10	FOR THE LEAD PLAINTIFFS AND PROSPECTIVE CLASS:
11	BERNSTEIN LITOWITZ BERGER & GROSSMANN LLP
12	By: JOHN C. BROWNE, Esq.
13	1285 Avenue Of The Americas
14	New York, New York 10019
15	(212) 554-1533 johnb@blbglaw.com
16	
17	FOR THE PLAINTIFFS VIACOM INTERNATIONAL INC.:
18	SHEARMAN & STERLING LLP
19	By: STUART J. BASKIN, Esq.
20	599 Lexington Avenue
21	New York, New York 10022-6069
22	(212) 848-4000 stuart.baskin@shearman.com
23	
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25	
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1	APPEARANCES (Continued.)
2	
3	FOR THE DEFENDANTS YOUTUBE, INC., YOUTUBE, LLC and
4	GOOGLE, INC.:
5	MAYER BROWN, LLP
6	By: ANDREW H. SCHAPIRO, Esq.
7	BRIAN WILLEN, Esq.
8	1675 Broadway
9	New York, New York 10019-5820
10	(212) 506-2279 aschapiro@mayer.com
11	
12	ALSO PRESENT:
13	GOOGLE
14	By: ADAM L. BAREA, Litigation Counsel
15	1600 Amphitheater Parkway
16	Mountain View, California 94043
17	(650) 214-4879 adambarea@google.com
18	
19	KEN REESER, Videographer.
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	1	HURLEY, CHAD
	2	SAN FRANCISCO, CALIFORNIA
	3	WEDNESDAY, APRIL 22, 2009, 9:08 A.M.
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09:08:12	5	THE VIDEOGRAPHER: Good morning.
09:08:15	6	Today's videotaped deposition of Chad Hurley
09:08:18	7	is taken on April 22nd, 2009, at 525 Market Street,
09:08:25	8	15th Floor, San Francisco, California.
09:08:27	9	In the matter of Viacom International,
09:08:27	10	Incorporated, et al., and The Football Association
09:08:27	11	Premier League Limited, et al., vs. YouTube,
09:08:39	12	Incorporated.
09:08:39	13	Case Nos. 07-CV-2203 and 07-CV-3582. In the
09:08:51	14	U.S. District Court, for the Southern District of
09:08:53	15	New York.
09:08:54	16	My name is Ken Reeser. I represent David
09:08:57	17	Feldman Worldwide, located at 600 Anton Boulevard,
09:09:02	18	Suite 1100, Costa Mesa, California.
09:09:05	19	We are now commencing at 9:08 a.m.
09:09:08	20	Will all present please identify themselves,
09:09:12	21	beginning with the witness.
09:09:13	22	THE WITNESS: I'm Chad Hurley.
09:09:16	23	MR. BROWNE: Good good morning. This is
09:09:18	24	John Browne. I'm from Bernstein, Litowitz, Berger &
09:09:23	25	Grossman. I represent the plaintiffs in the class

		Page 6
	1	HURLEY, CHAD
09:09:24	2	action, including the lead plaintiffs, The English
09:09:26	3	Premier League.
09:09:26	4	MR. SCHAPIRO: Andrew Schapiro from Mayer
09:09:31	5	Brown for the defendants.
09:09:32	6	MR. WILLEN: Brian Willen from Mayer Brown,
09:09:33	7	also for the defendants.
09:09:33	8	MR. BAREA: Adam Barea, Google, Inc.
09:09:39	9	MR. WILKENS: Scott Wilkens, Jenner & Block,
09:09:48	10	for Viacom.
09:09:48	11	MR. BASKIN: And Stuart Baskin of Shearman &
09:09:48	12	Sterling for Viacom.
09:09:48	13	THE VIDEOGRAPHER: Thank you.
09:09:49	14	The court reporter may please swear in the
09:09:50	15	witness.
09:09:50	16	CHAD HURLEY,
09:09:50	17	having been sworn as a witness, testified as follows:
09:09:50	18	
09:10:00	19	EXAMINATION BY MR. BROWNE
09:10:00	20	MR. BROWNE: Q. Good morning, Mr. Hurley.
09:10:01	21	A Good morning.
09:10:02	22	Q Have you ever been deposed before?
09:10:04	23	A No; this is the first time.
09:10:05	24	Q Okay. But you've given testimony under oath
09:10:07	25	before; is that right?
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	1	HURLEY, CHAD
09:14:18	2	conclusion.
09:14:18	3	THE WITNESS: I don't know. You'd have to
09:14:19	4	ask the for, yeah, a legal opinion on that. I'm
09:14:20	5	not necessarily sure.
09:14:22	6	MR. BROWNE: Q. You don't have any
09:14:23	7	understanding, as you sit here today, what the
09:14:26	8	corporate relationship of YouTube is vis-a-vis Google?
09:14:29	9	MR. SCHAPIRO: Objection; asked and answered.
09:14:32	10	THE WITNESS: Yeah. Like like I said, I'm
09:14:34	11	not necessarily sure.
09:14:35	12	MR. BROWNE: Q. You say you're not
09:14:38	13	necessarily sure, but do you have some idea?
09:14:42	14	A No, I don't.
09:14:43	15	Q Do you do you consider yourself an
09:14:52	16	employee of Google?
09:14:53	17	A Yes, I do.
09:14:54	18	Q Now, you mentioned that or you started the
09:15:01	19	website in early of 2005; is that right?
09:15:03	20	A That's right.
09:15:04	21	Q Okay. And were you one of the founders of
09:15:07	22	the YouTube website?
09:15:08	23	A Yes.
09:15:08	24	Q Were there any other founders?
09:15:10	25	A Yeah, there were.

		
		Page 13
	1	HURLEY, CHAD
09:15:10	2	Q Who were they?
09:15:12	3	A Steve Chen and Jawed Karim.
09:15:20	4	Q Do you can you recall an approximate month
09:15:23	5	when you founded YouTube?
09:15:26	6	A Well, we, you know, started discussing things
09:15:29	7	and registered the domain in February of 2005.
09:15:37	8	Q Now, did you personally invest any money into
09:15:40	9	the founding of YouTube?
09:15:44	10	MR. SCHAPIRO: Objection; vague.
09:15:45	11	THE WITNESS: Yeah, in in terms of
09:15:47	12	of of of what? The formation, or what do you
09:15:50	13	mean?
09:15:50	14	MR. BROWNE: Yeah.
09:15:52	15	Q Did you put forward any capital to help start
09:15:54	16	the business, you personally?
09:15:55	17	A We didn't necessarily set anything aside. I
09:16:00	18	mean, I registered things like the domain. We just
09:16:02	19	had various roles before it was officially formed,
09:16:05	20	so
09:16:06	21	Q Now, when you when you registered the
09:16:07	22	domain and did these other things to set up the
09:16:09	23	company, were you did you receive a stock in the
09:16:12	24	company?
09:16:15	25	A Not not initially. I I we went

		Page 16
	1	HURLEY, CHAD
09:18:11	2	there, Jawed Karim?
09:18:17	3	A Jawed Karim.
09:18:18	4	Q I'm sorry. Jawed Karim.
09:18:19	5	Has he or, to your knowledge, did he, at any
09:18:21	6	point in time, invest any of his own personal funds
09:18:24	7	into YouTube?
09:18:25	8	A Again, I'm I'm not sure if there's any
09:18:26	9	miscellaneous things that he needed to pay for while
09:18:30	10	we were getting things up. I I don't think he
09:18:33	11	was he was paying for anything, but I can't
09:18:41	12	remember.
09:18:41	13	Q Now, how old were you when you founded
09:18:44	14	YouTube?
09:18:44	15	A Let's see. 20 27, 28, yeah.
09:18:46	16	Q And how old are you today?
09:18:48	17	A I'm 32.
09:18:49	18	Q What did you do immediately prior to the time
09:18:53	19	that that you and others founded YouTube?
09:18:57	20	A Well, before YouTube, my last my last job
09:18:59	21	was at PayPal.
09:19:01	22	Q Okay. And what is PayPal?
09:19:03	23	A It's a payment service that was eventually
09:19:06	24	acquired by eBay and people use it to pay for for
09:19:10	25	auction listings and other services online.
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	1	HURLEY, CHAD
09:19:13	2	Q And where is where is PayPal located?
09:19:15	3	A I think in San Jose now where eBay is.
09:19:19	4	Q Where was it located during the time that you
09:19:22	5	were employed there?
09:19:23	6	A Originally, Palo Alto, and then we moved to
09:19:25	7	Mountain View at some point.
09:19:26	8	Q And and at what can you give me the
09:19:30	9	date when you left PayPal?
09:19:33	10	A I'm trying to remember the exact date. It
09:19:37	11	was maybe close to 2003 time frame.
09:19:42	12	Q Early 2003 or late? Do you have any sense?
09:19:45	13	A I can't remember. I just know that I was
09:19:47	14	away from PayPal for for some amount of time before
09:19:50	15	we started working on YouTube or I started working on
09:19:54	16	YouTube.
09:19:54	17	Q And during that gap period between the time
09:19:56	18	when you left PayPal and the time you founded YouTube,
09:19:59	19	were you employed anywhere?
09:20:01	20	A No; I was just just working on various
09:20:03	21	ideas and and I did some consulting, but then I
09:20:06	22	just took some time to relax, start a family, things
09:20:09	23	like that.
09:20:10	24	Q And what type of consulting did you do?
09:20:13	25	A Just some design work for friends and

		Page 18
	1	HURLEY, CHAD
09:20:16	2	Internet companies and out in the West Coast.
09:20:20	3	Q Were you paid for any of that consulting?
09:20:23	4	A Yeah, I believe for some of it.
09:20:25	5	Q If you can list for me those that you
09:20:28	6	remember the consulting engagements during that period
09:20:31	7	for which you received some payment.
09:20:38	8	A I think the only one that actually was paid
09:20:41	9	for was just a logo for Space X, it's a space company.
09:20:46	10	Q And how do you spell Space X?
09:20:49	11	A Space and then the letter X.
09:20:52	12	Q Now, what was your and just to be clear,
09:20:55	13	can you can you recall any other consulting
09:20:57	14	engagements during that time period between PayPal and
09:21:00	15	Google that you were paid for?
09:21:01	16	A Yeah, I mean, I I did some work, but I
09:21:03	17	don't think I was ever paid for it. It was with
09:21:07	18	friends.
09:21:07	19	Q What was your title when you left PayPal?
09:21:14	20	A Just designer. I don't I don't know at
09:21:16	21	what level. I was just a designer at PayPal.
09:21:19	22	Q And why did you leave?
09:21:23	23	A Just to try new things. You know, I had
09:21:26	24	already spent about three-and-a-half years there. I
09:21:29	25	was just looking and ready to do something different,

		Page 19
	1	HURLEY, CHAĎ
09:21:32	2	new, just kind of burned out.
09:21:34	3	Q When was PayPal acquired by eBay?
09:21:38	4	A I guess it was, you know, six months to a
09:21:41	5	year before I took off, so it was just a few months
09:21:45	6	kind of into that acquisition when I moved on.
09:21:47	7	Q What type of acquisition was it? Do you
09:21:53	8	know?
09:21:55	9	A I'm not sure if it was cash or stock or what,
09:21:59	10	what they used.
09:21:59	11	Q Did you did you yourself receive any money
09:22:02	12	as a result of eBay's acquisition of PayPal?
09:22:06	13	A I don't think I I received any anything
09:22:09	1.4	directly. We we were already a public company, so
09:22:12	15	I already had some stock within the company.
09:22:14	16	Q And when did PayPal become a public company?
09:22:19	17	A Again, I can't remember the specific date,
09:22:20	18	but I think it was a year previous to the acquisition.
09:22:23	19	Somewhere in that time frame.
09:22:24	20	Q So 2001, 2002, something like that?
09:22:29	21	A Something like that.
09:22:30	22	Q Okay. Now, at the time that you that
09:22:34	23	PayPal became public, I take it that at that time you
09:22:37	24	had stock in PayPal; is that right?
09:22:39	25	A That's right.
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	1	HURLEY, CHAD
09:22:39	2	Q Okay. And at the at the IPO price,
09:22:42	3	approximately how much was that stock worth, if you
09:22:44	4	know?
09:22:45	5	MR. SCHAPIRO: Objection.
09:22:47	6	THE WITNESS: Yeah, I I can't necessarily
09:22:48	7	remember in terms of stock price.
09:22:50	8	MR. BROWNE: Q. What was your highest salary
09:22:53	9	at PayPal.
09:22:55	10	A Again, I I can't remember what it was.
09:23:01	11	Q Was it more than ?
09:23:04	12	A No, I don't believe it was.
09:23:05	13	Q Do you currently today own any PayPal stock?
09:23:12	14	A No, I don't.
09:23:12	15	Q And when did you dispose of that stock?
09:23:15	16	MR. SCHAPIRO: Objection; is this what are
09:23:19	17	you getting at with this? I mean, we're going to
09:23:21	18	be at some point, I think this is going to be, I
09:23:23	19	think, crossing into a line of personal information
09:23:25	20	that I might instruct him not to answer about.
09:23:27	21	It's just harassing, but if there's
09:23:29	22	somewhere some reason you want to know what his
09:23:31	23	assets consist of, let me have a hear at it.
09:23:35	24	MR. BROWNE: Well, if you want to instruct
09:23:37	25	him not to answer, you're welcome to do that, but

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	1	HURLEY, CHAD
09:23:39	2	that's my question.
09:23:40	3	Q When did you dispose of your PayPal stock?
09:23:43	4	MR. SCHAPIRO: You can answer this question.
09:23:44	5	THE WITNESS: Okay.
09:23:45	6	Again, I I I don't necessarily
09:23:47	7	remember. I don't remember calendar-wise.
09:23:48	8	MR. BROWNE: Okay.
09:23:49	9	Q Well, maybe to accommodate your counsel, what
09:23:51	10	was your approximate net worth at the time that you
09:23:53	11	left PayPal?
09:23:54	12	A Probably roughly around
09:24:02	13	Q What's your approximate net worth now?
09:24:08	14	MR. SCHAPIRO: Objection; that one crosses
09:24:15	15	the line. I'm going to instruct you not to answer.
09:24:18	16	MR. BROWNE: How can it cross the line to
09:24:20	17	answer it now but not have crossed the line to answer
09:24:23	18	the same question for a period of three years prior?
09:24:26	19	I don't understand that.
09:24:26	20	MR. SCHAPIRO: Well, I'm not a mind reader,
09:24:29	21	but I assumed there was a basis for asking at PayPal,
09:24:31	22	because you're probably trying to suggest that there
09:24:35	23	was value to him in developing YouTube one way or
09:24:39	24	another, and you got to you have a line of
09:24:40	25	questioning here where you're going to talk about his

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	1	HURLEY, CHAD
09:24:42	2	incentives at YouTube, but what his net worth now is
09:24:46	3	has nothing to do with that.
09:24:47	4	Anyway, that's my instruction to him.
09:24:49	5	MR. BROWNE: Okay. Well, let me try to do
09:24:49	6	it maybe maybe we're misunderstanding each
09:24:52	7	other, but let me try it this way.
09:24:53	8	Q As a result of your founding of YouTube and
09:24:56	9	the subsequent sale back to Google, has that impact
09:25:00	10	impacted your net worth?
09:25:02	11	A I'm sure it's increased.
09:25:04	12	Q Okay. Increased as a result of those things,
09:25:06	13	the things associated with YouTube? How much has your
09:25:10	14	net worth increased?
09:25:16	15	A Substantially, of course, yeah.
09:25:17	16	Q More than \$300 million?
09:25:24	17	A I'm not sure where the market stands today,
09:25:26	18	but probably around that ballpark.
09:25:31	19	Q Now, what did you do before PayPal?
09:25:39	20	A I was just coming out of school. That was my
09:25:43	21	first job out of school.
09:25:44	22	Q And by "school" you mean college?
09:25:45	23	A That's right.
09:25:45	24	. Q Where did you go to college?
09:25:47	25	A Indiana University of Pennsylvania.

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	1	HURLEY, CHAD
11:47:50	2	Why don't we go off the record for one
11:47:52	3	second.
11:47:56	4	THE VIDEOGRAPHER: The time is 11:47 a.m.
11:47:59	5	We are off the record.
11:48:00	6	(Recess taken.)
11:48:00	7	(Document marked Hurley, C., Exhibit 12
11:53:26	8	for identification.)
11:53:26	9	THE VIDEOGRAPHER: The time is 11:52 a.m.
11:53:29	10	We are back on the record.
11:53:32	11	MR. BROWNE: Okay. And while we were off the
11:53:34	12	record, I I had a discussion with Mr. Hurley's
11:53:37	13	counsel about a video that we're about to mark as
11:53:40	14	Exhibit 11 and play, and I'm sorry. We're going to
11:53:44	15	mark it as Exhibit 12 and play for the witness.
11:53:47	16	The witness's counsel did have an opportunity
11:53:49	17	and took that opportunity to review the video, and we
11:53:55	18	agreed, I believe, that we were gonna mark as
11:53:58	19	Exhibit 12 for now a piece of paper that references
11:54:01	20	the Bates number of the video in the production, and
11:54:05	21	that Bates number is JKA00010387.
11:54:11	22	You may look at that.
11:54:12	23	MR. SCHAPIRO: We also agreed that because
11:54:14	24	the video, in the form that you have, contains much
11:54:17	25	more than additional clips beyond this 40-second

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	1	HURLEY, CHAD
11:54:20	2	clip, we would work together to produce some 40
11:54:24	3	some version that includes only the the particular
11:54:26	4	clip you're going to be asking about.
11:54:30	5	You've represented to me that this is
11:54:32	6	something that was part of the production that
11:54:34	7	Mr. Karim made. We, of course, reserve all rights to
11:54:38	8	challenge authenticity for foundation.
11:54:40	9	MR. BROWNE: Okay. Perfect.
11:54:41	10	Q Now, Mr. Hurley, I'm gonna play for you
11:54:44	11	this is a very short video.
11:54:44	12	(Video Clip playing on laptop.)
11:54:44	13	(Unintelligible.)
11:54:49	14	SPEAKER 1: "It was like pretty impressed.
11:54:53	15	You're basically right. It's like anywhere
11:54:55	16	on the Internet you have a little that can
11:54:58	17	control and, you know, basically serve up
11:55:00	18	ads, and the whole of things with tags and,
11:55:06	19	you know, what our viewers have seen before
11:55:08	20	the flash. It's pretty
11:55:10	21	SPEAKER 2: "So if we get them involved, at
11:55:13	22	what point would we tell them our dirty
11:55:16	23	little secret, which is that we actually just
11:55:19	24	want to sell out quickly?
11:55:19	25	SPEAKER 1: "Are you filming?

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	1	HURLEY, CHAD
11:55:19	2	You're going to actually have to erase this.
11:55:22	3	SPEAKER 2: "No. It won't be released until
11:55:24	4	after the acquisition."
11:55:25	5	MR. BROWNE: Q. Now, Mr stop that.
11:55:29	6	Now, Mr. Hurley, have you ever seen that
11:55:31	7	video before?
11:55:32	8	A I don't remember it.
11:55:33	9	Q Okay. Did you recognize the two individuals
11:55:37	10	that were on camera during that video?
11:55:40	11	A I recognize Steve and myself, and it sounded
11:55:43	12	like Jawed's voice.
11:55:45	13	Q Okay. And it sounded like and Mr. Karim's
11:55:51	14	voice on the video, you recognized that?
11:55:52	15	A It sounded like it.
11:55:53	16	Q Did you hear yourself say on on on that
11:55:58	17	video that that you have to something like
11:56:01	18	"we'll have to erase the file"?
11:56:04	19	A I mean, yeah, it seemed like a pretty
11:56:07	20	sarcastic remark to his sarcastic comment.
11:56:10	21	Q Okay. Now, when you were first in in
11:56:20	22	discussions with Sequoia Capital about the Series A
11:56:26	23	financing, did did Sequoia Capital value provide
11:56:30	24	you with a valuation that they had for YouTube?
11:56:34	25	A Yeah, through the negotiation they would

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	1	HURLEY, CHAD
12:02:02	2	Q And then farther over it says the final
12:02:04	3	column on the right says "earnings"; you see that?
12:02:07	4	A Yes.
12:02:07	5	Q This this spread spreadsheet is is
12:02:09	6	is communicating how much YouTube is earning based on
12:02:16	7	ads sold on different types of web pages at different
12:02:20	8	dates; isn't that right?
12:02:21	9	MR. SCHAPIRO: Objection; calls for
12:02:22	10	speculation; mischaracterizes the document.
12:02:24	11	THE WITNESS: Yeah. Again, I I don't
12:02:25	12	remember what this this spreadsheet is referring
12:02:29	13	to, you know. To me, it potentially looks like it's,
12:02:34	14	you know, managing or tracking ad impressions.
12:02:38	15	MR. BROWNE: Q. Now, do you have an
12:02:40	16	understanding, though, as to what what is meant my
12:02:43	17	"channel watch," and it says like, look at the
12:02:45	18	first row. It says "Watch Top"; do you know what that
12:02:48	19	means?
12:02:48	20	A Uh-huh. Not specifically, you know, like
12:02:54	21	you know, it may be referring to a page.
12:02:58	22,	Q The Watch Page?
12:02:59	23	A It could be. I I don't remember the
12:03:02	24	document, but it could be.
12:03:02	25	Q What is what is what is the Watch Page?

		Page 114
	1	HURLEY, CHAD
12:03:07	2	A Well, typically, we refer to Watch Pages
12:03:10	3	where a video is being watched where it's being
12:03:12	4	played.
12:03:13	5	Q On the YouTube website?
12:03:14	6	A Yes.
12:03:14	7	Q Okay. And this this document is
12:03:16	8	communicating that YouTube was selling advertisements
12:03:19	9	as of June 1st, 2006, on the Watch Page; isn't that
12:03:21	10	right?
12:03:23	11	A I guess. I guess that's what it's tracking.
12:03:25	12	I don't know. I don't remember again.
12:03:26	13	Q Aside from this document, as the CEO of
12:03:29	14	YouTube, in June of 2006, you you know that YouTube
12:03:33	15	was, in fact, selling advertisements on its Watch Page
12:03:37	16	at that time; right?
12:03:38	17	A You know, again, I don't call recall
12:03:41	18	specific dates. It looks like this this document
12:03:44	19	is implying that, but I I can't remember.
12:03:46	20	Q And then down a little bit further it says
12:03:49	21	"results"; do you see that?
12:03:51	22	A Uh-huh.
12:03:51	23	Q Is there a is there something called a
12:03:53	24	results page on YouTube?
12:03:55	25	A Typically, results, just like in a search
1		

		Page 115
	1	HURLEY, CHAD
12:03:58	2	engine, is the results it's a page that you get
12:04:01	3	when you're looking for something, searching for
12:04:03	4	something. It lists
12:04:03	5	Q And as of as of June
12:04:04	6	A results.
12:04:05	7	Q Oh, I'm sorry.
12:04:06	8	A Just a list of results.
12:04:07	9	Q And as of June 2006, YouTube was selling
12:04:10	10	advertisements on on its results page; isn't that
12:04:13	11	right?
12:04:13	12	MR. SCHAPIRO: Objection; lacks foundation.
12:04:15	13	THE WITNESS: I I don't know. I I
12:04:25	14	can't remember.
12:04:25	15	MR. BROWNE: Q. Do you have any reason to
12:04:27	16	believe that it wasn't?
12:04:32	17	A No, I mean, I can't remember, so I wouldn't
12:04:34	18	know why. Wouldn't have any reason not to.
12:04:38	19	Q And then a little bit down well, just the
12:04:43	20	next group down below, it says "browse" under that
12:04:47	21	channel column; do you see that?
12:04:49	22	A Yes.
12:04:49	23	Q Do you know what that's referring to?
12:04:54	24	A I think it's referring to probably to
12:04:57	25	the the browse pages, the pages where you have the

		Page 116
	1	HURLEY, CHAD
12:04:59	2	ability to to browse. Not simply you know, not
12:05:03	3	search the result, but page of videos.
12:05:05	4	Q And and and how does that work? How do
12:05:07	5	the browse pages work at YouTube? At least how did
12:05:10	6	they work as of June 2006?
12:05:12	7	A I can't remember how they they they
12:05:14	8	worked at that time, but, typically, you can just look
12:05:17	9	at videos by category.
12:05:22	10	Q And in June of 2006, YouTube was selling
12:05:26	11	advertisements on its on its browse pages; isn't
12:05:28	12	that right?
12:05:29	13	A Again, I can't remember. It looks like a
12:05:33	14	spread shot spreadsheet is implying that, but I
12:05:37	15	I don't know.
12:05:37	16	Q And then it says "channels" under the column
12:05:43	17	marked "channel."
12:05:44	18	A Uh-huh.
12:05:45	19	Q What what's channels?
12:05:48	20	A Typically, channels are, you know, the
12:05:51	21	profile page of a user. You know, representing
12:05:56	22	yourself within the YouTube community. It's kind of
12:05:59	23	how you express yourself, how you broadcast yourself.
12:06:02	24	Q And as of June 2006, YouTube was selling
12:06:04	25	advertisements on its channels pages; right?
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		Page 117
	1	HURLEY, CHAD
12:06:08	2	A Again, I I don't know. I don't remember.
12:06:10	3	Again, the document looks like it's implying that.
12:06:13	4	Q Now, I'm just looking down the earnings
12:06:16	5	column on the right, and I see the largest earnings
12:06:19	6	numbers seem to equate to the Watch Pages. Why is
12:06:24	7	that?
12:06:24	8	MR. SCHAPIRO: Objection; document speaks for
12:06:25	9	itself.
12:06:26	10	THE WITNESS: Yeah, again, I I don't know
12:06:30	11	the reasons. I don't remember this document, but it
12:06:33	12	looks like the case in this in this spreadsheet.
12:06:37	13	MR. BROWNE: Q. Could YouTube make more
12:06:39	14	money selling advertisements on the Watch Pages than
12:06:43	15	elsewhere on its site?
12:06:45	16	A In in terms of what I mean, when?
12:06:47	17	What what are you implying here? Can you can
12:06:47	18	you
12:06:50	19	Q I wasn't really implying anything.
12:06:52	20	A Can you restate the question?
12:06:53	21	Q Sure.
12:06:54	22	Did YouTube make more money selling
12:06:56	23	advertisements on its Watch Pages than it did selling
12:07:00	24	advertisements on other portions of the YouTube
12:07:02	25	website?

		Page 173
	1	HURLEY, CHAD
14:27:39	2	they they thought about the clip, I guess. You
14:27:41	3	know, one through five. One being bad and five being
14:27:45	4	great.
14:27:46	5	Q Does that five stars there indicate that the
14:27:48	6	people were rank ranking it as five stars, or does
14:27:52	7	that indicate something else?
14:27:53	8	A It looks like I can't I can't tell the
14:27:55	9	the color. It's either zero stars or all five stars.
14:27:59	10	Q Oh, okay. I have just one question about
14:28:03	11	this.
14:28:03	12	On the bottom right-hand corner it says
14:28:07	13	"featured videos."
14:28:08	14	How did it come to be that those particular
14:28:10	15	videos are featured on this Watch Page with the
14:28:12	16	Arsenal versus Manchester United video clip?
14:28:16	17	A Again, with with the name changes
14:28:20	18	recently, I'm not sure. I think well, it looks
14:28:21	19	like they're all partners. Expert Village, Blooms
14:28:26	20	Bloomberg, Beyonce. They're all partner videos that
14:28:28	21	have been randomly selected.
14:28:29	22 '	Q And YouTube generates revenue from its
14:28:33	23	partner deals; right?
14:28:35	24	A Yeah, potentially, yes.
14:28:41	25	Q Now, the re the related video I'm

		Page 174
	1	HURLEY, CHAD
14:28:46	2	sorry.
14:28:46	3	On the right-hand corner, it also says
14:28:48	4	"related videos"; do you see that?
14:28:51	5	A Yep.
14:28:51	6	Q What what and then and then I think
14:28:53	7	it has a list of similar videos?
14:28:55	8	A Uh-huh.
14:28:55	9	Q How did that list come to be generated?
14:28:58	10	A Again, I think it's well, it's a technical
14:29:01	11	question that I don't know the answer for. Somehow
14:29:03	12	some kind of algorithm choosing what what's
14:29:06	13	appropriate to show.
14:29:08	14	Q So there's some algorithm at YouTube that
14:29:12	15	that determined that the videos in this block were
14:29:15	16	related to the video that's playing on the watch
14:29:18	17	block?
14:29:18	18	MR. SCHAPIRO: Objection; calls for
14:29:20	19	speculation.
14:29:21	20	THE WITNESS: Yeah, I I again, I don't
14:29:26	21	know the details of how that actually works, but it's
14:29:29	22	trying to show related videos, however that is
14:29:32	23	determined.
14:29:32	24	MR. BROWNE: Okay. I have just one document
14:29:39	25	and then I'm done.
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		Page 177
	1	HURLEY, CHAD
14:45:51	2	cofounders
14:45:52	3	A That's correct.
14:45:52	4	Q of YouTube; correct?
14:45:54	5	A That's correct.
14:45:54	6	Q And did you perceive the three of you as
14:45:55	7	being partners at the time?
14:45:57	8	MR. SCHAPIRO: Objection; vague.
14:46:01	9	THE WITNESS: Partners in in what way?
14:46:03	10	MR. BASKIN: Q. Well, did you perceive the
14:46:04	11	other two gentlemen as being your partners?
14:46:07	12	MR. SCHAPIRO: Objection; vague. Partners?
14:46:10	13	MR. BASKIN: Q. Do you understand the word
14:46:12	14	"partner"?
14:46:14	15	A Partner in in terms of, you know, a
14:46:17	16	corporate structure partner?
14:46:21	17	Q Well, did you view these two gentlemen as
14:46:22	18	your partners?
14:46:23	19	MR. SCHAPIRO: Same objection.
14:46:24	20	THE WITNESS: Yeah, I mean, we were a we
14:46:27	21	were a team trying to develop this.
14:46:30	22	MR. BASKIN: Q. Now, as I understand it
14:46:34	23	let me ask you to put in front of you what I guess was
14:46:37	24	Hurley 7, and on the bottom of Hurley
14:46:56	25	MR. SCHAPIRO: Hold on, Counsel. I don't

		Page 178
	1	HURLEY, CHAD
14:46:58	2	have it yet.
14:47:00	3	MR. WILLEN: Here it is.
14:47:01	4	MR. SCHAPIRO: Okay. I got it.
14:47:08	5	MR. BASKIN: Okay.
14:47:08	6	Q If we go to the bottom of the first page of
14:47:10	7	Hurley 7, you have the paragraph that Mr. Browne
14:47:14	8	referred you to in the course of your earlier
14:47:16	9	testimony; do you remember that?
14:47:18	10	A Yeah, I think I recall that.
14:47:19	11	Q And in particular, in that paragraph, if I'm
14:47:23	12	reading it right, Mr. Chen is accusing your other
14:47:37	13	partner/colleague/cofounder of being a copyright thief
14:47:44	14	and dropping the copyrights or uploading the copy
14:47:48	15	the stolen copyrighted materials onto the YouTube
14:47:53	16	website?
14:47:53	17	MR. SCHAPIRO: Objection; blatant
14:47:57	18	mischaracterization of the document.
14:47:59	19	MR. BASKIN: Q. Is that the way you read
14:47:59	20	that paragraph, sir?
14:48:02	21	A I don't think that's what he's trying to say.
14:48:03	22	I think Steve obviously saw some type of videos that
14:48:07	23	he thought may look professional. I I don't know
14:48:07	24	Steve what videos Steve was referring to.
14:48:09	25	Q Well, I didn't ask you what videos he was

		Page 179
	1	HURLEY, CHAD
14:48:11	2	referring to.
14:48:12	3	What I'm asking you is, do you read that
14:48:13	4	paragraph as saying that "Jawed" who is Jawed, sir?
14:48:18	5	A He was one of the cofounders of the site.
14:48:22	6	Q "Was putting stolen videos on the site."
14:48:24	7	Do you read that, sir?
14:48:29	8	A Yeah, well, Steve was saying "Please stop
14:48:33	9	putting stolen videos on the site."
14:48:34	10	Q And he in the last line of that paragraph,
14:48:39	11	if I'm reading it right, he's accusing one of the
14:48:43	12	cofounders of YouTube of blatantly stealing content
14:48:48	13	from another site and trying to get everyone to see
14:48:52	14	it; do you see that?
14:48:53	15	MR. SCHAPIRO: Objection to the
14:48:54	16	characterization of "accusing."
14:48:57	17	MR. BASKIN: Q. Do you see that, sir?
14:48:59	18	A Well, I see what Steve is saying. I think
14:49:03	19	maybe for for some of this, he's just referring
14:49:06	20	you know, he's saying he's referring to content from
14:49:09	21	another site. I don't know if that you know, he
14:49:12	22	had authorized authorization to do that or what
14:49:14	23	type of content that was. I have no idea.
14:49:18	24	Q Well, I appreciate if you have no idea,
14:49:20	25	because you didn't ask; is that right, sir?

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			Page 180
	1		HURLEY, CHAD
14:49:21	2		MR. SCHAPIRO: Objection; argumentative.
14:49:24	3		MR. BASKIN: Q. Did you ask?
14:49:25	4	А	Ask what?
14:49:25	5	Q	Did you ask Mr. Chen what he meant by this
14:49:28	6	paragra	ph?
14:49:28	7	А	I don't remember this e-mail. I
14:49:29	8	Q	Do you remember
14:49:30	9	А	I don't know.
14:49:30	10	Q	Do you remember ever discussing with Mr. Chen
14:49:32	11	this pa	ragraph?
14:49:33	12	А	Potentially. I can't recall.
14:49:35	13	Q	I didn't ask potentially what you can or
14:49:38	14	cannot	do.
14:49:38	15		MR. SCHAPIRO: Objection.
14:49:39	16		MR. BASKIN: Q. Do do you recall
14:49:40	17	discuss	sing this with Mr. Chen?
14:49:41	18	А	I don't remember it.
14:49:43	19	Q	Do you remember confronting Mr. Karim with
14:49:46	20	this, t	he accusation in this paragraph?
14:49:49	21		MR. SCHAPIRO: Objection to the
14:49:50	22	charact	erization.
14:49:51	23		THE WITNESS: I can't remember having a
14:49:53	24	discuss	ion with him, no.
14:49:55	25		MR. BASKIN: Q. Do you remember consulting
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		Page 181
	1	HURLEY, CHAD
14:49:57	2	counsel regarding this paragraph, any legal counsel?
14:50:00	3	A I don't even know if we had counsel at the
14:50:03	4	time. I I don't remember at this time.
14:50:04	5	Q Is it your testimony that the first time you
14:50:10	6	have knowledge of this incident from this deposition
14:50:13	7	today?
14:50:14	8	MR. SCHAPIRO: Objection; lacks foundation;
14:50:16	9	mischaracterizes the testimony.
14:50:17	10	THE WITNESS: Like I said, I don't I don't
14:50:21	11	remember seeing this e-mail in the past, so I don't
14:50:24	12	remember it.
14:50:24	13	MR. BASKIN: Q. When you back in 2005,
14:50:33	14	when this incident happened, according to Mr. Chen,
14:50:39	15	were you reporting to work every day?
14:50:43	16	A Sure. We worked around the clock, yeah.
14:50:44	1.7	Q You were CEO of YouTube at the time; were you
14:50:47	18	not?
14:50:48	19	A Yes, I was.
14:50:48	20	Q And during the course of reporting to work
14:50:52	21	every day, did you see Mr. Chen virtually every
14:50:55	22	working day?
14:50:58	23	A I don't know about every day, but a fair
14:51:02	24	amount.
14:51:02	25	Q And did you see Mr how do you pronounce

	utu	Page 182
	1	HURLEY, CHAD
14:51:05	2	it, Karim?
14:51:07	3	A Karim.
14:51:07	4	Q Did you see Mr. Karim virtually every day?
14:51:10	5	A No.
14:51:10	6	Q How frequently did you see Mr. Karim?
14:51:13	7	A I can't recall. I mean, early on he was
14:51:14	8	involved with a few things, but ultimately he ended up
14:51:18	9	deciding to go back to school, so we didn't really see
14:51:21	10	him very often at all.
14:51:22	11	Q And you had his telephone number, I take it;
14:51:25	12	did you not?
14:51:26	13	A I believe so.
14:51:27	14	Q Now, how far was Mr. Chen's office from yours
14:51:31	15	back in and around September 2005 or July 2005? How
14:51:38	16	many feet was his office from yours?
14:51:42	17	A I'm not sure. I can't remember where we sat.
14:51:44	18	If this was in Sequoia's office when we had little
14:51:48	19	incubator space, or if it was when we were in
14:51:52	20	San Mateo, we had our little little place there.
14:51:55	21	Q Okay. Well, assuming it's one or the other,
14:51:59	22	what was the furthest distance that Mr. Chen's office
14:52:02	23	was from yours back in September 2005?
14:52:04	24	A I mean, we were always close to each other.
14:52:06	25	I I don't know the distance, exactly, but I could
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		Page 183
	1	HURLEY, CHAD
14:52:09	2	see him.
14:52:09	3	Q And would it be fair to say that you were
14:52:13	4	e-mailing with Mr. Karim virtually every day during
14:52:15	5	this period?
14:52:18	6	A I I I don't remember. I I I
14:52:22	7	probably doubt it. I was more in touch with Steve
14:52:25	8	during this entire process.
14:52:26	9	Q Do you remember e-mailing with Mr. Karim
14:52:31	10	frequently during this period?
14:52:33	11	A Maybe in the beginning, but then, again, like
14:52:36	12	I was saying, he decided to go back to school and we
14:52:38	13	didn't stay in touch as much.
14:52:40	14	Q And I take it you don't remember sending him
14:52:43	15	an e-mail inquiring as to the validity of this
14:52:47	16	allegation on the part of Mr. Chen?
14:52:49	17	MR. SCHAPIRO: Objection to the
14:52:49	18	characterization.
14:52:50	19	THE WITNESS: I may have. I mean, this is
14:52:52	20	obviously not what we wanted him to do, if you
14:52:55	21	know, if, in fact, he didn't have authorization.
14:53:00	22	MR. BASKIN: Q. Are you saying you now have
14:53:01	23	a memory of doing it or you may have done it?
14:53:03	24	A I may have
14:53:04	25	MR. SCHAPIRO: Objection; form.

		
		Page 184
	1	HURLEY, CHAD
14:53:05	2	THE WITNESS: done it. I mean, I could
14:53:06	3	imagine. I mean, we wouldn't want him to to do
14:53:09	4	that, and so if
14:53:12	5	MR. BASKIN: Q. Do you have any
14:53:13	6	MR. SCHAPIRO: Can you let him finish his
14:53:15	7	answer?
14:53:16	8	MR. BASKIN: No, not at all.
14:53:17	9	MR. SCHAPIRO: No, you're not going to let
14:53:18	10	him finish his answer?
14:53:20	11	MR. BASKIN: I said not at all. He's welcome
14:53:22	12	to finish his answer.
14:53:23	13	Q Do you have any recollection
14:53:23	14	MR. SCHAPIRO: Hold on.
14:53:25	15	Did you finish your answer?
14:53:25	16	THE WITNESS: I can't remember what I was
14:53:26	17	trying to say, so sorry.
14:53:29	18	MR. BASKIN: Q. Do you remember whether
14:53:32	19	these videos that Mr. Chen is alleging that Mr. Karim
14:53:41	20	stole were any of those Viacom videos, sir?
14:53:44	21	A I have no idea, but I don't remember.
14:53:47	22	Q Do you remember whether the videos that
14:53:55	23	Mr. Chen accuses Mr. Karim of stealing, whether they
14:54:00	24	were many or a few?
14:54:03	25	MR. SCHAPIRO: Same objection.

		
		Page 185
	1	HURLEY, CHAD
14:54:04	2	THE WITNESS: Yeah, I don't I don't
14:54:05	3	remember. I can't recall the number.
14:54:06	4	MR. BASKIN: Q. And do you remember whether
14:54:10	5	he was being accused of stealing entire movies and
14:54:13	6	posting it on the website?
14:54:16	7	A Again, I don't I don't recall.
14:54:19	8	Q When in your life at YouTube, is it fair
14:54:33	9	to say that it was a an unusual event to have a
14:54:39	10	cofounder accused of being the copyright thief?
14:54:45	11	MR. SCHAPIRO: Objection to the
14:54:46	12	characterization.
14:54:47	13	THE WITNESS: Can you can you repeat the
14:54:48	14	question?
14:54:55	15	MR. BASKIN: Q. Well, is it an unusual event
14:54:58	16	during your time as CEO to have one of your cofounders
14:55:02	17	being accused of putting stolen videos on the YouTube
14:55:06	18	website?
14:55:06	19	MR. SCHAPIRO: Objection.
14:55:09	20	THE WITNESS: I would assume it's it's
14:55:11	21	unusual, because I you know, seeing this, I
14:55:13	22	don't I don't remember it and it's not what our
14:55:16	23	site was about.
14:55:17	24	MR. BASKIN: Q. Now, were you a frequent
14:55:24	25	user of e-mails back in this time period?
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	1	HURLEY, CHAD
14:55:26	2	A I can't remember to to what extent I
14:55:29	3	receive or send e-mails, no.
14:55:30	4	Q What about today? Are you a frequent user of
14:55:33	5	e-mails?
14:55:34	6	A I've never really enjoyed e-mail.
14:55:35	7	Q How many e-mails do you receive and send
14:55:39	8	during the course of a business day today?
14:55:42	9	A I don't know the exact number. Probably
14:55:43	10	receive a lot more than I respond to. That's for
14:55:46	11	sure.
14:55:46	12	Q You think you receive and send hundreds of
14:55:52	13	e-mails in the course of a day?
14:55:53	14	MR. SCHAPIRO: Objection; compound.
14:55:54	15	THE WITNESS: Again, I don't know the
14:55:56	16	specific numbers. I receive more than I send.
14:55:59	17	MR. BASKIN: Q. Back in 2005, do you have a
14:56:02	18	recollection when this event was happening how many
14:56:09	19	e-mails you receive and send during the course
14:56:12	20	course of one of those business days?
14:56:14	21	A I can't
14:56:14	22	MR. SCHAPIRO: Objection to the form.
14:56:23	23	Mr. Hurley, you got to wait until he finishes
14:56:26	24	asking his question to answer it.
14:56:29	25	THE WITNESS: Okay.

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	1	HURLEY, CHAD
14:56:30	2	MR. BASKIN: Q. Do you know what happened to
14:56:33	3	your e-mails from 2005?
14:56:39	4	A Well, like I said, during the you know,
14:56:42	5	the procedure to prepare for this case, I at one
14:56:44	6	point I tried to transition from POP to IMAP or IMAP
14:56:50	7	to pop. I mean, different ways to handle e-mail and
14:56:53	8	lost it.
14:56:54	9	Q Well, I didn't know that you lost e-mails
14:56:55	10	in when when did you lose e-mails, sir?
14:57:01	11	A I can't remember the specific date. We were
14:57:03	12	in the office in San Mateo. I just remember being
14:57:05	13	upset and having to go over to talk to Bradley to see
14:57:08	14	if he can recover it.
14:57:10	15	Q And you lost all of your e-mails?
14:57:11	16	A I believe so.
14:57:12	17	Q And who is Bradley, by the way?
14:57:22	18	A Bradley is one of the engineers.
14:57:24	19	Q And Bradley, you discussed strike that.
14:57:28	20	You discussed with Mr. Bradley the fact that
14:57:32	21	you lost almost all your e-mails?
14:57:35	22	A Yeah. I mean, I just remember getting up and
14:57:37	23	going over to talk to him to see if there's a way
14:57:41	24	to to recover it, and if there was a way, he was
14:57:43	25	trying to look into it.

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	1	HURLEY, CHAD
14:57:44	2	MR. SCHAPIRO: Is there a time frame?
14:57:46	3	THE WITNESS: Right, you know, when it
14:57:47	4	happened. I
14:57:49	5	MR. BASKIN: Q. Is it fair to say that these
14:57:50	6	lost e-mails occurred during the summer of 2005 when
14:57:58	7	you and Mr. Karim and Mr. Chen were sending e-mails
14:58:03	8	back and forth to each other about copyright
14:58:06	9	compliance on the YouTube site?
14:58:09	10	MR. SCHAPIRO: Objection; vague; occurred?
14:58:12	11	THE WITNESS: You know, it just happened. It
14:58:13	12	didn't happen because of any kind of discussions we
14:58:16	13	were having. I was trying to be more efficient with
14:58:18	14	my e-mail and unfortunately didn't know what the hell
14:58:20	15	I was doing.
14:58:21	16	MR. BASKIN: Q. Well, do you recall if it
14:58:24	17	happened in 2005 or 2006 that you lost all these
14:58:28	18	e-mails, Mr sir?
14:58:34	19	A I like I said, I can't recall a specific
14:58:36	20	day.
14:58:37	21	Q If I told you that as far as we can tell, for
14:58:43	22	July of 2005, you produced from your custodian account
14:58:48	23	33 e-mails, does that sound like a pretty scanty
14:58:53	24	number of e-mails for the course of a month, sir?
14:58:56	25	MR. SCHAPIRO: Objection; argumentative;
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	1	HURLEY, CHAD
14:58:57	2	calls for speculation; lacks foundation; testifying.
14:59:03	3	THE WITNESS: Again, I don't remember how
14:59:05	4	many e-mails I sent. I wouldn't be surprised, because
14:59:08	5	I like I said, I don't necessarily enjoy e-mail.
14:59:12	6	MR. BASKIN: Q. So you think it's possible
14:59:13	7	you only sent and received 33 e-mails in the month of
14:59:16	8	July of 2005?
14:59:20	9	A I have no idea. I don't I don't recall.
14:59:22	10	Q How about August 2005? You think it's
14:59:24	11	possible you sent and received three e-mails,
14:59:28	12	Mr. Hurley?
14:59:31	13	A I I have I have no idea.
14:59:32	14	Q Well, I'm asking you if knowing your own
14:59:35	15	practices, is it conceivable even that you sent and
14:59:40	16	received three e-mails for the entire month of August
14:59:42	17	of 2005?
14:59:44	18	MR. SCHAPIRO: Objection to the form.
14:59:45	19	THE WITNESS: You know, I can't recall.
14:59:50	20	MR. BASKIN: Q. How about the following
14:59:52	21	month, the month of September? Is it possible that
14:59:56	22	you sent and received five e-mails for the entire
15:00:00	23	month of September of 2005?
15:00:03	24	A I can't recall.
15:00:05	25	Q I didn't ask you if you recall it.

		Page 190
	1	HURLEY, CHAD
15:00:07	2	I'm saying, is it possible, knowing your own
15:00:09	3	practices, that you sent and received only five
15:00:13	4	e-mails for the entire month of September, Mr. Hurley?
15:00:15	5	A You know, anything is possible, but I wasn't
15:00:18	6	keeping track of how I was sending and receiving
15:00:23	7	e-mails.
15:00:23	8	Q Would it be fair and true and honest to say
15:00:27	9	that you send more than five e-mails in an hour in the
15:00:30	1.0	course of a normal business day, sir?
15:00:32	11	MR. SCHAPIRO: Objection; speculative;
15:00:34	12	incomplete hypothetical; lacks time frame.
15:00:36	13	MR. BASKIN: Q. Mr. Hurley, is it fair and
15:00:37	14	true and accurate to say that you typically spent
15:00:40	15	sent more than five e-mails in an hour back in 2005?
15:00:45	16	A I have no idea, but
15:00:48	17	Q How about in October of 2005? Is possible
15:00:51	18	you only had five e-mails for that month also?
15:00:56	19	A Again, I I have no idea.
15:00:59	20	Q Okay. Now, let's talk about the lost e-mails
15:01:01	21	that you brought up with with what was his name,
15:01:04	22	Bradley?
15:01:05	23	A That's right.
15:01:05	24	Q This is Bradley who? What's his last name,
15:01:10	25	sir?

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		Page 191
	1	HURLEY, CHAD
15:01:12	2	A What's his last name? Something with an H, I
15:01:16	3	believe. I can't I can't remember.
15:01:16	4	Q How about Heilbrun? Does that sound right?
15:01:23	5	A Yes, that's it.
15:01:23	6	Q And you went to Mr. Heilbrun and you advised
15:01:26	7	him of the fact that you had lost some e-mail all
15:01:29	8	your e-mails for some period of time?
15:01:31	9	A To the best of my knowledge, yes.
15:01:33	10	Q And do you recall, was it a four-, five-,
15:01:37	11	six-month period? How long a period of time did you
15:01:42	12	lose all these e-mails, sir?
15:01:43	13	A I I don't know what the period was. I
15:01:45	14	just
15:01:45	15	Q Well, as you sit here today, was it a week?
15:01:48	16	A day? A month? Two months? Three months?
15:01:51	17	A I mean, I thought I lost all my e-mail from
15:01:53	18	that date previous.
15:01:54	19	Q From that date from up to the start of when?
15:01:59	20	What? Previous to the start of YouTube?
15:02:01	21	A Whenever we started storing e-mails, I guess.
15:02:04	22	Yeah.
15:02:05	23	Q And did Mr. Heilbrun confirm to you that you
15:02:10	24	had lost all your e-mails?
15:02:12	25	A Yeah, it was my impression, but, yeah.

		Page 192
	1	HURLEY, CHAD
15:02:14	2	Q Was he able to reproduce all of these lost
15:02:17	3	e-mails?
15:02:19	4	A I you know, kind of looking back at the
15:02:21	5	situation, I don't think he was able to get any of
15:02:23	6	them, but I don't remember.
15:02:24	7	Q There was no backup system, I take it, at
15:02:26	8	YouTube for these e-mails?
15:02:28	9	A No, unfortunately, no.
15:02:30	10	Q And were you the only unlucky sole who lost
15:02:35	11	all your e-mails at the company or did other people
15:02:37	12	lose them as well?
15:02:38	13	MR. SCHAPIRO: Objection to the argumentation
15:02:40	14	and sarcasm.
15:02:42	15	THE WITNESS: I I've I have no idea
15:02:45	16	MR. BASKIN: Q. Did you ask
15:02:46	17	A of other people's situations.
15:02:49	18	You know, it was never brought to my
15:02:52	19	attention. I don't know if I I can't remember if I
15:02:53	20	ever asked.
15:02:54	21	Q Did you ask Mr. Bradley whether all of
15:02:56	22	YouTube's e-mails from the start of YouTube's time to
15:02:59	23	that date were lost?
15:03:01	24	A I was just asking about mine.
15:03:03	25	Q Didn't inquire about anyone else's e-mails?

		Page 193
	1	HURLEY, CHAD
15:03:07	2	A No, because it was something that I did
15:03:08	3	trying to change it myself.
15:03:10	4	Q And, by the way, where is Mr. Brad
15:03:19	5	Mr. Heilbrun today? Is he still around at YouTube?
15:03:22	6	A I think so.
15:03:23	7	Q Now, what did he tell you you did or what do
15:03:30	8	you think you did that caused the loss of all these
15:03:33	9	e-mails, sir?
15:03:34	10	A I was just trying to move between two
15:03:36	11	different ways to handle e-mail. I don't know the
15:03:39	12	technical differences between POP and IMAP. I think
15:03:43	13	IMAP somehow allows you to manage e-mail more
15:03:46	14	effectively. I think that's what I was trying to move
15:03:48	15	to, but I didn't do it correctly.
15:03:51	16	Q And was everybody at YouTube also moving to
15:03:58	17	this new system or just you?
15:04:02	18	A I don't know. It was just different ways to
15:04:04	19	manage your e-mail.
15:04:08	20	Q Well, do you recall whether this was
15:04:09	21	universal at YouTube, that people were were
15:04:12	22	migrating to this new system, or was that just simply
15:04:16	23	what Chad Hurley was doing?
15:04:18	24	A I mean, others could have done it. It's
15:04:20	25	just like I said, it's different protocols or

		Page 194
	1	HURLEY, CHAD
15:04:22	2	whatever you call it to to handle ways that you
15:04:26	3	manage your e-mail. I don't know. People could have
15:04:28	4	been doing both.
15:04:28	5	Q Now, have you advised counsel in connection
15:04:39	6	with this litigation that you have lost most of your
15:04:41	7	e-mails?
15:04:41	8	MR. SCHAPIRO: Objection. I'm going to
15:04:42	9	instruct him not to answer on the basis of privilege.
15:04:47	10	THE WITNESS: Okay.
15:04:48	11	MR. BASKIN: Q. Did this loss of e-mails
15:04:59	12	occur after Google acquired YouTube?
15:05:03	13	A I don't think so. I think it happened
15:05:05	14	before.
15:05:05	15	Q So it happened during the period of time from
15:05:09	16	2005 !til October of 2006?
15:05:14	17	A I guess. I don't know the specific dates.
15:05:15	18	Q And did you lose all of your personal e-mails
15:05:48	19	also or just the company e-mails?
15:05:50	20	A I'm not sure. I I think it was just it
15:05:52	21	was just trying to deal with the e-mail the the
15:05:55	22	company one.
15:06:06	23	Q When you heard about this lawsuit and that
15:06:13	24	your documents were being called for, what did you do?
15:06:18	25	A What do you mean what

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	1	· HURLEY, CHAD
15:06:20	2	MR. SCHAPIRO: You can answer to the extent
15:06:22	3	that you're not revealing privileged conversations
15:06:24	4	with counsel.
15:06:25	5	Go ahead.
15:06:26	6	THE WITNESS: What do you mean what did
15:06:28	7	what did I do?
15:06:29	8	MR. BASKIN: Q. What did you do to find
15:06:30	9	documents?
15:06:31	10	A What did I what?
15:06:32	11	Q What did you do to find documents?
15:06:34	12	A Well, nothing. I just handed over whatever I
15:06:38	13	had, my laptop, and let them go through my files
15:06:41	14	and
15:06:41	15	Q Do you know whether Mr. Chen has lost a lot
15:06:44	16	of his documents also?
15:06:46	17	A I have no idea.
15:06:47	18	Q Did you discuss it with him, whether he lost
15:06:49	19	documents like you or
15:06:52	20	A I don't think so.
15:06:52	21	Q You know if Mr. Karim I'm sorry. I'm
15:06:58	22	always mispronouncing that but whether he also
15:07:01	23	Mr. Karim, whether he lost documents as well during
15:07:04	24	this time period?
15:07:06	25	A I I have no idea.

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		Page 196
	1	HURLEY, CHAD
15:07:08	2	Q How long did you prepare for this deposition,
15:07:17	3	Mr. Hurley?
15:07:18	4	A Just the past two days, just sat down.
15:07:20	5	Q And were you shown documents?
15:07:23	6	A A few.
15:07:23	7	Q Less than 50? Fewer than 50?
15:07:28	8	MR. SCHAPIRO: Objection; I'm going to
15:07:30	9	instruct you not to answer.
15:07:31	10	MR. BASKIN: Q. Were you shown any documents
15:07:33	11	that you thought you had lost?
15:07:38	12	A I don't recall a lot of these e-mails. I
15:07:40	13	don't know if I lost them or not.
15:07:53	14	Q Well, just so the record is clear on it, why
15:08:00	15	don't you explain what you believe happened that
15:08:04	16	caused the loss of all these e-mails.
15:08:08	17	A Well, like I was saying, it was just a
15:08:10	18	transition between two ways to handle e-mail between
15:08:13	19	POP and IMAP, and somehow the system that handled it,
15:08:16	20	when I transitioned to one to the other, somehow on
15:08:20	21	the system they disappeared. I don't I can't go
15:08:24	22	into anymore technical explanation because I don't
15:08:27	23	necessarily know how it works.
15:08:28	24	Q Now, did you lose, as part of your lost
15:08:38	25	e-mails, the e-mails strike that.

		Page 197
	1	HURLEY, CHAD
15:08:50	2	When you were shown this morning the e-mail
15:09:32	3	regarding the Mr. Chen's accusation regarding
15:09:39	4	Mr. Karim
15:09:43	5	A Which one? This one?
15:09:44	6	Q Yes, the one before you now.
15:09:46	7	A Thank you.
15:09:48	8	Q Exhibit 7, early 7, is that the first time
15:09:50	9	you recall seeing this e-mail?
15:09:52	10	MR. SCHAPIRO: Same objection as to
15:09:54	11	"accusation."
15:09:55	12	You can answer to the extent that you can
15:09:59	13	that excluding what you might have seen in
15:10:02	14	preparation for this deposition.
15:10:04	15	THE WITNESS: Okay.
15:10:06	16	Yeah, yeah, I I don't recall this e-mail.
15:10:08	17	MR. BASKIN: Q. Was anyone, other than
15:10:27	18	Mr. Heilburn, involved in investigating the loss of
15:10:32	19	your e-mails?
15:10:38	20	A I'm trying to think. Maybe other engineers
15:10:40	21	that were in the office. I can't particularly
15:10:43	22	remember who.
15:10:44	23	Q Okay. Now, let me move forward a little bit,
15:11:16	24	sir, to the period when you were negotiating your
15:11:22	25	the acquisition by Google.

		Page 198
	1	HURLEY, CHAD
15:11:24	2	Did did you did YouTube have a
15:11:26	3	financial advisor in connection with that?
15:11:31	4	A In in terms of what? What negotiation?
15:11:34	5	Q The sale of YouTube to Google.
15:11:39	6	A We had our CFO, Gideon Yu.
15:11:43	7	Q Did you have an external financial advisor?
15:11:47	8	A Not that I believe. Just board members as
15:11:50	9	well. I mean, just us as a team.
15:11:53	10	Q What about a firm called Allen & Company?
15:11:57	11	Were they involved with you in trying to sell YouTube?
15:12:01	12	A No, they they wanted to get involved, but
15:12:02	13	they weren't.
15:12:03	14	Q They were not retained?
15:12:04	15	A No.
15:12:05	16	Q They didn't prepare any analytical material
15:12:09	17	or any analysis of valuation for you?
15:12:13	18	MR. SCHAPIRO: Objection; calls for
15:12:14	19	speculation.
15:12:15	20	THE WITNESS: Not that I'm aware of.
15:12:17	21	MR. BASKIN: Q. Did anyone prepare on
15:12:21	22	your side at the transaction prepare any valuation
15:12:24	23	material?
15:12:29	24	A We probably did, but I I don't remember
15:12:31	25	what that was.

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	1	HURLEY, CHAD
15:12:40	2	Q Did you see the valuation material in
15:12:42	3	preparation for your deposition today?
15:12:47	4	A I can't I can't remember. We reviewed a
15:12:49	5	lot of documents
15:12:50	6	MR. SCHAPIRO: Objection; don't answer that.
15:12:51	7	THE WITNESS: Okay.
15:12:53	8	MR. BASKIN: Q. Do you recall when was the
15:12:54	9	last time you saw your internal valuation material?
15:12:59	10	MR. SCHAPIRO: Excluding in preparation for
15:13:00	11	this deposition.
15:13:03	12	THE WITNESS: I cannot.
15:13:06	13	MR. BASKIN: Q. Did you lose the internal
15:13:09	14	valuation material?
15:13:10	15	A Did I lose it? I I don't remember the
15:13:14	16	last time I saw it, so I don't know where where it
15:13:17	17	would be.
15:13:17	18	Q And was was that among the materials that
15:13:19	19	were lost that you discussed with Mr. Heilburn?
15:13:27	20	A I doubt it. It happened way before we ever
15:13:29	21	discussed anything. I don't know.
15:13:47	22	Q Do you recall the internal valuation material
15:13:51	23	that was generated by YouTube what value you believed
15:13:55	24	the business was worth?
15:13:59	25	A I can't recall a specific document. I don't
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	1	HURLEY, CHAD
15:14:02	2	remember.
15:14:02	3	Q Was it close to \$1.65 billion?
15:14:06	4	MR. SCHAPIRO: Objection; lacks foundation;
15:14:08	5	assumes facts not in evidence.
15:14:09	6	MR. BASKIN: Doesn't need it. I'm asking him
15:14:09	7	if he knows what it was.
15:14:13	8	Q Was it in range of \$1.65 billion?
15:14:14	9	MR. SCHAPIRO: You have to establish that
15:14:16	10	there was any valuation done.
15:14:17	11	THE WITNESS: Yeah, I I I don't know.
15:14:18	12	If there was a document, I don't remember the number.
15:14:20	13	MR. BASKIN: Q. Did you think \$1.65 billion
15:14:26	14	was a fair price for YouTube in and around
15:14:30	15	October 2006?
15:14:31	16	A Well, ultimately we settled on that number,
15:14:33	17	so
15:14:34	18	Q Well, did you at the time think it was a fair
15:14:37	19	price?
15:14:39	20	MR. SCHAPIRO: Objection; vague.
15:14:40	21	THE WITNESS: Yeah. Well, again, assuming
15:14:42	22	there was valuation, you're always trying to negotiate
15:14:44	23	for more, but
15:14:47	24	MR. BASKIN: Q. And do you recall how you
15:14:49	25	valued YouTube in and around October 2006?

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	1	HURLEY, CHAD
15:14:54	2	A I don't recall.
15:14:55	3	Q At that point, YouTube had generated losses
15:14:59	4	every single quarter; did it not?
15:15:01	5	A Probably.
15:15:02	6	Q So presumably a \$1.65 billion valuation was
15:15:07	7	not effectuated based on profit; correct?
15:15:13	8	MR. SCHAPIRO: Objection; calls for
15:15:14	9	speculation.
15:15:15	10	THE WITNESS: I don't know what factors went
15:15:16	11	into it.
15:15:17	12	MR. BASKIN: Q. Well, was the valuation
15:15:20	13	based upon the size of your user base and the
15:15:25	14	likelihood of advertising selling ads to that user
15:15:31	15	base in the future?
15:15:31	16	MR. SCHAPIRO: Same objection.
15:15:33	17	THE WITNESS: Again, I I don't know the
15:15:34	18	valuation. It could potentially be one of the
15:15:36	19	factors.
15:15:37	20	MR. BASKIN: Q. Well, do you recall if that
15:15:38	21	was one of the factors?
15:15:40	22	MR. SCHAPIRO: Same objection; asked and
15:15:42	23	answered.
15:15:42	24	THE WITNESS: Again, yeah, I don't remember
15:15:44	25	the document.

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	1	HURLEY, CHAD
15:15:46	2	MR. BASKIN: Q. Well, I'm asking whether you
15:15:47	3	remember, irrespective of remembering the document, in
15:15:51	4	terms of fixing a value on YouTube, in your mind, was
15:15:56	5	the value dependent upon the size of your user base
15:16:01	6	and the possibility of selling ads to that user base
15:16:04	7	in the future?
15:16:05	8	A Like I said, it could be one of the factors.
15:16:08	9	Q What other factors are there in your mind or
15:16:10	10	were there in your mind, other than the size of your
15:16:13	11	user base?
15:16:15	12	A Building a great community. Building a site
15:16:18	13	that would affect popular culture, would change
15:16:21	14	elections, would allow people to share their talents
15:16:24	15	around the world. I mean, the fact that we were able
15:16:26	16	to create a site that was easy to use the user
15:16:29	17	interface. The fact that anyone had a chance to use
15:16:32	18	it now have a chance to be heard.
15:16:34	19	Q And presumably all of those factors
15:16:37	20	materialized in a user base; correct?
15:16:39	21	A Yeah, ultimately you need to use the site,
15:16:43	22	the user.
15:16:44	23	Q And in order to generate money or to monetize
15:16:48	24	that user base, you have to sell advertisements to
15:16:51	25	them; correct?

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	1	HURLEY, CHAD
15:16:52	2	MR. SCHAPIRO: Objection.
15:16:54	3	MR. BASKIN: Q. Is that correct?
15:16:55	4	A Potentially one of the ways, yes.
15:16:57	5	Q Was there any other way to monetize your
15:16:59	6	website, other than selling advertisements?
15:17:05	7	A You know, I can't recall at the time. We
15:17:07	8	continued to look for ways to build a a business,
15:17:10	9	but primarily it's going to be supported by ads.
15:17:13	10	Q And the larger the user base, the higher
15:17:17	, 11	number of ads that could be sold; correct?
15:17:19	12	MR. SCHAPIRO: Objection; asked and answered.
15:17:20	13	THE WITNESS: Yeah, again, that could be the
15:17:21	14	case.
15:17:22	15	MR. BASKIN: Q. Well, that is the case; is
15:17:24	16	it not?
15:17:24	17	MR. SCHAPIRO: Objection; argumentative.
15:17:26	18	THE WITNESS: Like I said, it could be the
15:17:27	19	case.
15:17:28	20	MR. BASKIN: Q. Well, when you sell ads
15:17:30	21	today, do you sell it based on the user base? Likely
15:17:35	22	number of viewers?
15:17:36	23	A I I'm not sure exactly how we sell today.
15:17:39	24	Like like I said, the site continues to change.
15:17:42	25	You'd have to ask probably Suzie for for that
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	1	HURLEY, CHAD
15:17:45	2	specific answer. I don't know how we're selling it.
15:17:54	3	Q And Suzie is Ms. Reider; is that who it is?
15:17:59	4	A That's right.
15:18:02	5	Q Now, you were asked whether there were other
15:18:09	6	potential acquirers apart from Google this morning,
15:18:12	7	and you mentioned also made an offer; is that
15:18:16	8	correct?
15:18:17	9	A That's correct.
15:18:17	10	Q And were you involved in the negotiation with
15:18:22	11	?
15:18:23	12	A To some extent. I I don't remember if I
15:18:28	13	was involved with the the details of the offer. I
15:18:29	14	just like I mentioned before, I met with and
15:18:32	15	at Denny's.
15:18:34	16	Q And that was the extent of your involvement?
15:18:37	17	A Well, that's what I remember.
15:18:39	18	Q Do you remember negotiating price at all?
15:18:43	19	A There may have been e-mails back and forth.
15:18:45	20	I I don't I don't know the specifics. I can't
15:18:49	21	remember the specifics.
15:18:50	22	Q And do you still have you seen those
15:18:54	23	e-mails that may have happened, as you put it, that
15:18:57	24	may have been e-mails back and forth? Have you seen
15:18:59	25	those e-mails?

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15:19:00	2	A I don't remember them.
15:19:03	3	Q So you were speculating there may have been
15:19:06	4	e-mails?
15:19:07	5	A Well, there probably were, I just I don't
15:19:11	6	remember them.
15:19:11	7	Q Do you recall seeing them in preparation for
15:19:13	8	this deposition?
15:19:14	9	MR. SCHAPIRO: Objection.
15:19:14	10	Don't answer.
15:19:19	11	MR. BASKIN: Q. Do you recall seeing them in
15:19:22	12	the last year?
15:19:22	13	MR. SCHAPIRO: Excluding any preparation
15:19:26	14	regarding this deposition, you may answer.
15:19:30	15	THE WITNESS: Again, I I don't remember.
15:19:31	16	MR. BASKIN: Q. Now, in the course of the
15:19:34	17	of the process of trying to sell YouTube, were both
15:19:39	18	and Google performing due diligence?
15:19:43	19	A I assume. You'd have to ask them.
15:19:45	20	Q Well, did they ask you questions?
15:19:48	21	A I'm sure they did. I don't remember what
15:19:51	22	they were.
15:19:51	23	Q Do you remember being asked questions at all?
15:19:54	24	A Not specifically, no.
15:19:59	25	Q Do you remember instructing others to answer