UNITED STATES OF AMERICA BEFORE THE FEDERAL TRADE COMMISSION OFFICE OF THE ADMINISTRATIVE LAW JUDGES

In the Matter of	
Meta Platforms, Inc., et al.,	
Respondents.	Docket No. 9411
	PUBLIC

RESPONDENTS' MOTION IN LIMINE TO EXCLUDE EXPERT TESTIMONY OF DR. HAL SINGER

Respondents Meta Platforms, Inc. ("Meta"), Within Unlimited, Inc. ("Within"), and Mark Zuckerberg (collectively, "Respondents"), respectfully move to exclude certain opinions and testimony offered by Complaint Counsel's expert witness Dr. Hal J. Singer that "VR Dedicated Fitness Apps" constitute a relevant product market. In Dr. Singer's expert report submitted in *FTC v. Meta Platforms Inc.*, *et al.*, 5:22-cv-04325, (N.D. Cal.) and his expert report submitted in this Court, Dr. Singer blindly relied on Qualtrics for the survey that provides the indispensable basis for his market-definition opinion; such reliance on the expertise of an absent (and undisclosed) expert is impermissible, rendering his entire opinion in support of Complaint Counsel's market definition fatally unreliable under 16 C.F.R. § 3.43(b) and *Daubert v. Merrell Dow Pharmaceuticals, Inc.*, 509 U.S. 579 (1993). Furthermore, even if Dr. Singer knew how

¹ On December 15, 2022, Respondents filed a similar motion in the U.S. District Court for the Northern District of California, which is currently pending before Judge Davila. *See* Defendants' Motion to Strike Expert Testimony of Dr. Hal J. Singer, *FTC v. Meta Platforms Inc.*, *et al.*, 5:22-cv-04325, Dkt. Entry 470 (N.D. Cal. Dec. 15, 2022).

² Dr. Singer's expert report before this Court is substantially the same as the expert report that Dr. Singer submitted in the district court.

³ When ruling on the admissibility of expert opinions, this Court routinely relies upon Federal Rules of Evidence ("FRE") 702 and the "factors" in *Daubert*, 509 U.S. 579. *See*, *e.g.*, *In*

his survey was implemented, the survey results are so obviously nonsensical that his reliance on that data violates *Daubert* standards. The Court should thus exclude Dr. Singer's opinion that "VR Dedicated Fitness Apps" constitute a relevant product market.

I. BACKGROUND

To support its putative antitrust market, Complaint Counsel served a report from Dr. Singer. Dr. Singer's opinion is based on his "hypothetical monopolist test"; indeed, Dr. Singer has admitted that he offered no market-definition opinion independent of that test. *See* Ex. A⁴ ¶¶ 51-53; Ex. B⁵ 416:5-418:11. He has likewise conceded that his test is based solely on a survey implemented by Qualtrics. *Id.* at 416:5-418:11; 540:16-18 ("I rely on the survey analysis to get the actual loss."). Dr. Singer's reliance on that survey data violates basic *Daubert* standards for two reasons.

First, Dr. Singer admits he relied on Qualtrics' survey implementation simply because (Dr. Singer says) Qualtrics is an expert at implementing surveys. Ex. B at 463:20-464:4. Complaint Counsel offers no evidence or expert opinion from Qualtrics – or from anyone else – that the survey on which Dr. Singer relies was implemented according to accepted survey principles or that the sample from which Qualtrics drew was representative of the Supernatural users that Dr. Singer said were in his target population. No data that would allow such verification was relied upon by Dr. Singer or disclosed to Respondents. Where, as here, an expert fails to independently verify the validity of underlying data and instead relies on someone else's un-offered, untested, and unadmitted expertise, Daubert requires exclusion.

the Matter of LabMD, Inc., 2014 WL 2331056, at *3 (F.T.C. May 8, 2014) (Chappell, J.) (citing FRE 702 and *Daubert*).

⁴ Expert Report of Hal J. Singer, Ph.D., dated November 22, 2022.

⁵ Excerpt of Transcript of the December 13, 2022 Trial Testimony of Dr. Singer in *FTC* v. Meta Platforms Inc., et al., 5:22-cv-04325, (N.D. Cal.).

Second, the data that Dr. Singer has produced – his survey results – are transparently flawed and unreliable. Nearly every survey respondent submitted multiple answers that reflect either deliberately incorrect answers (perhaps to receive payment for completing the survey) or an inability to understand even basic questions. Dr. Singer offers no justification for waving aside these obviously incorrect answers while trusting the answers on which he relies.

Dr. Singer's failure to apply reliable methodology in conducting a hypothetical monopolist test requires excluding his market-definition opinion in its entirety. *See In re Live Concert Antitrust Litig.*, 863 F. Supp. 2d 966, 987-89, 994 (C.D. Cal. 2012).

II. ARGUMENT

- A. The Court Should Exclude Dr. Singer's Opinion On Market Definition
 - 1. Dr. Singer Improperly Relied on Qualtrics' "Expertise" And Failed To Verify Its Data Or Methodology

"Case law plainly holds that an expert cannot adopt another's data without verifying its validity and reliability." *York v. Starbucks Corp.*, 2011 WL 8199987, at *14 (C.D. Cal. Nov. 23, 2011); *see Fosmire v. Progressive Max Ins. Co.*, 277 F.R.D. 625, 630 (W.D. Wash. 2011) (similar). For similar reasons, "[a]n expert is not entitled to testify to opinions that rely on the opinion of another expert, simply because the other is an expert." *Scantlin v. Gen. Elec. Co.*, 2011 WL 13130835, at *4 (C.D. Cal. Apr. 8, 2011) (quotation omitted)); *see Gopalratnam v. Hewlett-Packard Co.*, 877 F.3d 771, 789 (7th Cir. 2017) (similar). Courts regularly exclude unverified reliance on surveys on this basis. *See Kim v. Benihana, Inc.*, 2022 WL 1601393, at *8 (C.D. Cal. Mar. 25, 2022) (excluding where expert admitted he "did not even request access to the 'raw' or underlying survey data to assess independently whether" the results were "accurate"); *A & M Recs., Inc. v. Napster, Inc.*, 2000 WL 1170106, at *7-*8 (N.D. Cal. Aug. 10,

2000) (declining to rely on expert who "played a minimal role in overseeing the administration of the survey" and had "limited knowledge of how the[] surveys were conducted").

Exclusion under these standards is required here. Although he claimed in his expert report that he had "[w]ork[ed] alongside . . . Qualtrics" to "implement[]" the survey, Ex. A ¶ 62, Dr. Singer professed unabashed ignorance of and deference to Qualtrics regarding, most importantly, two fundamental issues: the determinations of (1) who would be sampled (i.e., which people would actually receive the survey) and (2) how to ensure that the responses were representative of the broader population Dr. Singer needed to represent. See. Reference Manual on Scientific Evidence 375-76 (3d ed. 2011) ("The secondary expert who gives an opinion about the adequacy and interpretation of a survey . . . should demonstrate familiarity with . . . the survey being discussed"). He did not know the response rate or whether Qualtrics made any effort to ensure that the panels to whom the survey was sent were not a skewed population. Instead, Dr. Singer testified: "I'm depending on Qualtrics and the quality of Qualtrics to stand behind its survey results, no matter whether they do it if they're virtually [sic] integrated or if they use third parties." Ex. B 465:6-7 ("I don't get to interface with [any third party panel providers]"); id. 478:13-14 ("Q. How many received the survey? A. We don't know."); id. 465:12-14; see also id. 468:16-21 ("I've done very little investigation of [panel provider] Cint ... I can infer that if Qualtrics uses them and Qualtrics is the gold standard, then at least Qualtrics believes that these panel providers are sound and of high quality"); id. 366:14-17 ("once we have the instrument, we hand it off to Qualtrics . . . they do everything on the back end").

Dr. Singer did nothing to investigate or verify how Qualtrics found his sample or how it ensured the sample was representative of Supernatural users, and his unverified assumptions regarding how Qualtrics conducted the survey were wrong. *Compare* Ex. B 466:8-10 ("Q. Were you aware that Qualtrics does not maintain its own panels of survey respondents? . . . A. That it fully outsources? I'm not aware of that.") *and id.* 465:24-466:7 ("I was uncertain as to how many [panels] they used") *with* Ex. C (Qualtrics email explaining that "Qualtrics does not maintain its own panels of survey respondents" and instead "engaged three panel firms to implement Econ One's survey") *and* Ex. D ¶ 5 (similar Qualtrics declaration).⁶ Dr. Singer did not know how participants were compensated. *See* Ex. B 483:10-11. Indeed, Dr. Singer never spoke to Qualtrics at all. *See id.* 464:22-23. Such lack of rigor is impermissible. *See In re ConAgra Foods, Inc.*, 302 F.R.D. 537, 556 (C.D. Cal. 2014) (explaining that an expert cannot adopt another's data without verifying its validity and reliability).

If Dr. Singer and Complaint Counsel wished to rely on Qualtrics' alleged expertise in sourcing and identifying representative survey respondents, they should have disclosed that expert. That would have given Meta the opportunity to obtain discovery into the survey methodology and implementation, so that it could investigate and "direct[ly] challenge" the survey's reliability. *See Sound View Innovations, LLC v. Hulu, LLC*, 2019 WL 9047211, at *14 (C.D. Cal. Nov. 18, 2019), *aff'd*, 33 F.4th 1326 (Fed. Cir. 2022) (expert "cannot rely on the undisclosed opinion of another expert to support his analysis"); *see also ZF Meritor, LLC v. Eaton Corp.*, 696 F.3d 254, 293 (3d Cir. 2012) (similar). Making matters worse, Dr. Singer does not even assert that *Qualtrics* ever claimed – much less provided any documentation to establish – that it had obtained reliable responses from a representative sample of Supernatural

⁶ Respondents produced Exhibits C and D in the proceeding in the U.S. District Court for the Northern District of California. *See FTC v. Meta Platforms Inc.*, *et al.*, 5:22-cv-04325, (N.D. Cal.) (Exhibits DX1317 and DX1325, respectively).

subscribers. Dr. Singer should not be permitted to deflect questions about the survey, the essential basis for his market definition opinion, by pointing to the Qualtrics black box.

As in *Kim*, where an expert improperly relied on another expert's summary of a survey without validating the survey data, Dr. Singer's market-definition opinion based on the Qualtrics survey should be excluded. *See* 2022 WL 1601393, at *8; Ex. B 416:5-418:11 (no market definition opinion without survey); Ex. $E^7 \P 3$, 34 (same).

2. Dr. Singer's Survey Is Facially Unreliable

Independently of Dr. Singer's improper deference to the expertise of Qualtrics, Dr. Singer's market-definition opinions based on the survey should be excluded because the survey's results are unreliable on their face.

For a survey to be admissible, the proponent must show it to be (1) "conducted according to accepted principles" and (2) "relevant" to the issues in the case. *Fortune Dynamic, Inc. v. Victoria's Secret Stores Brand Mgmt.*, 618 F.3d 1025, 1036 (9th Cir. 2010). A survey should be excluded as unreliable if it "suffer[s] from serious methodological flaws." *Obrey v. Johnson*, 400 F.3d 691, 696 (9th Cir. 2005); *In re: Autozone, Inc.*, 2016 WL 4208200, at *16 (N.D. Cal. Aug. 10, 2016) ("[S]ubstantial deficiencies in the design or execution of a survey of individuals is grounds for its complete exclusion."); *M2 Software, Inc. v. Madacy Ent.*, 421 F.3d 1073, 1087 (9th Cir. 2005) (affirming exclusion where the expert failed to show that "the survey was conducted in accordance with generally accepted survey principles."). Where, as here, the proposed testimony is based on data collected from a survey, the admissibility of the survey is dispositive of the admissibility of the testimony. *NetAirus Techs., LLC v. Apple, Inc.*, 2013 WL 12322092, at *6 (C.D. Cal. Oct. 23, 2013).

⁷ Reply Expert Report of Hal J. Singer, Ph.D., dated November 21, 2022, submitted in *FTC v. Meta Platforms Inc.*, *et al.*, 5:22-cv-04325, (N.D. Cal.).

A simple tally of the answers demonstrates Dr. Singer's survey to be thoroughly unreliable. For example, 21 of the survey respondents said that they use all 27 branded fitness products in the survey more than once a month – nearly a physical impossibility, which Dr. Singer admits is implausible. *See* Ex. B 504:4-8; 512:10-14; *see also id.* 504:10-25; 507:21-508:1; 509:18-24; 511:9-16; 513:5-514:1. Effectively acknowledging that these responses need to be thrown out, Dr. Singer asserts that it does not change his results. *See id.* 537:5-10; *see also* 484:19-485:3; 487:6-17; 507:11-15; 510:23-511:3; 525:22-526:7. But he presented no basis for that ipse dixit – and he elsewhere insisted that 150 valid survey respondents was the minimum he required for his conclusions. *See id.* 454:21-25 ("So we did the math . . . that told us that we needed to get to 150 in order to say something . . . to make an extrapolation to the population of Supernatural users").

Moreover, Dr. Singer never claimed that he could defend his results if more than the 21 were dropped, and he did not dispute that 90 of the respondents – 60% of the sample – claimed to use 10 or more fitness products each more than once a month. *See id.* 523:1-4. He did not dispute that 43 respondents said that they simultaneously used (and paid for) two different connected rowing machines. *See id.* 522:14-16. And he did not dispute that 37 respondents said that they used (and paid for) three different connected fitness bikes. *See id.* 522:10-13. Courts exclude surveys predicated on impossible responses because such responses illustrate that the data is fundamentally unreliable. *See, e.g., Casey v. Home Depot,* 2016 WL 7479347, at *17 (C.D. Cal. Sept. 15, 2016) (excluding survey where respondents provided "inconsistent" responses); *In re ConAgra Foods, Inc.,* 90 F. Supp. 3d 919, 950-51 (C.D. Cal. 2015), *aff'd sub nom. Briseno v. ConAgra Foods, Inc.,* 674 F. App'x 654 (9th Cir. 2017) (excluding where answers "indicate[] some misunderstanding among the survey respondents").

Dr. Singer provides no reason why the court should trust any of his survey responses – including those to the only questions indicating whether the respondent actually subscribes to Supernatural. Instead, Dr. Singer says we "just have to assume that [respondents are] telling the truth." Ex. B 539:16-17. Courts disagree, because *assuming* reliability is not survey science. *See, e.g., NetAirus Techs.*, 2013 WL 12322092, at *5 (citing *Reference Manual on Scientific Evidence* 386 (3d ed. 2011)); *see also* Ex. B 538:15-16 ("They could have been confused about the question. They could have been liars."). Here, where a majority of respondents offered highly implausible answers, the survey – and Dr. Singer's market definition testimony – warrants exclusion.

It is Dr. Singer's burden to establish the representativeness of the survey sample. *See Marlo v. United Parcel Serv., Inc.*, 251 F.R.D. 476, 485 (C.D. Cal. 2008), *aff'd*, 639 F.3d 942 (9th Cir. 2011). His failure to do so or to explain how he has otherwise preserved his survey's integrity neglects basic accepted principles of survey conduct and warrants excluding his market-definition opinion. *See Autozone*, 2016 WL 4208200, at *17-*19 (excluding survey where expert failed to account for representativeness, low response rate, and non-response bias, among other requirements); *NetAirus Techs.*, 2013 WL 12322092, at *4 (excluding where "[t]he survey did not take measures to adjust for response rates to balance the gender of [the] respondents"); *see also Reference Manual on Scientific Evidence* 383 (3d ed. 2011) ("It is incumbent on the expert presenting the survey results to analyze the level and sources of nonresponse, and to assess how that nonresponse is likely to have affected the results.").

CONCLUSION

For the reasons stated above, Respondents respectfully request that the Court exclude Dr.

Hal Singer's opinion that "VR Dedicated Fitness Apps" constitute a relevant product market.

DATED: December 21, 2022

Respectfully submitted,

/s/ Mark C. Hansen

Charles A. Loughlin Lauren Battaglia Logan M. Breed Benjamin Holt HOGAN LOVELLS US LLP Columbia Square 555 Thirteenth Street, NW Washington, DC 20004 Telephone: (202) 637-5600 Facsimile: (202) 637-5910 lauren.battaglia@hoganlovells.com logan.breed@hoganlovells.com

Inc.

benjamin.holt@hoganlovells.com chuck.loughlin@hoganlovells.com Counsel for Defendant Within Unlimited, Mark C. Hansen Aaron M. Panner KELLOGG, HANSEN, TODD, FIGEL & FREDERICK, P.L.L.C. 1615 M Street, NW, Suite 400 Washington, DC 20036 Telephone: (202) 326-7900 Facsimile: (202) 326-7999 mhansen@kellogghansen.com apanner@kellogghansen.com

Counsel for Respondents Meta Platforms, Inc. and Mark Zuckerberg

Bambo Obaro WEIL, GOTSHAL & MANGES LLP 201 Redwood Shores Parkway, 6th Floor Redwood Shores, CA 94065-1134 Telephone: (650) 802-3000 Facsimile: (650) 802-3100 bambo.obaro@weil.com

Michael Moiseyev Chantale Fiebig WEIL, GOTSHAL & MANGES LLP 2001 M Street, NW, Suite 600 Washington, DC 20036 Telephone: (202) 682-7000 Facsimile: (202) 857-0940 michael.moiseyev@weil.com chantale.fiebig@weil.com

Liz Ryan

WEIL, GOTSHAL & MANGES LLP 200 Crescent Court, Suite 300 Dallas, TX 75201 Telephone: (214) 746-8158 liz.ryan@weil.com

Eric S. Hochstadt WEIL, GOTSHAL & MANGES LLP 767 Fifth Avenue New York, NY 10153 Telephone: (212) 310-8000 Facsimile: (212) 310-8007 eric.hochstadt@weil.com

Counsel for Respondent Meta Platforms, Inc.

CERTIFICATE OF SERVICE

I hereby certify that, on December 21, 2022, I caused the foregoing document to be electronically filed with the Secretary of the Commission using the Federal Trade Commission's e-filing system, and I also served the documents via email to:

April J. Tabor Secretary of the Federal Trade Commission FEDERAL TRADE COMMISSION 600 Pennsylvania Ave., NW, Rm. H-113 Washington, D.C. 20580 ElectronicFilings@ftc.gov

Abby Dennis Peggy Bayer Femenella Jeanine Balbach Michael Barnett E. Eric Elmore Justin Epner

Joshua Goodman Sean D. Hughto

Frances Anne Johnson

Andrew Lowdon Lincoln Mayer Kristian Rogers

Anthony R. Saunders

Timothy Singer adennis@ftc.gov pbayer@ftc.gov ibalbach@ftc.gov mbarnett@ftc.gov eelmore@ftc.gov jepner@ftc.gov

jgoodman@ftc.gov shughto@ftc.gov

fjohnson@ftc.gov

alowdon@ftc.gov

lmayer@ftc.gov

krogers@ftc.gov

asaunders@ftc.gov

tsinger@ftc.gov

FEDERAL TRADE COMMISSION 600 Pennsylvania Avenue, NW

Washington, DC 20580 Tel: (202) 326-2381

Erika Wodinsky

FEDERAL TRADE COMMISSION

The Honorable D. Michael Chappell Administrative Law Judge FEDERAL TRADE COMMISSION 600 Pennsylvania Ave., NW, Rm. H-110 Washington, D.C. 205080

90 7th Street, Suite 14-300 San Francisco, CA 94103 Tel: (415) 848-5190

Email: ewodinsky@ftc.gov

Lauren Battaglia, Esq

Counsel Supporting the Complaint

Logan M. Breed, Esq. Benjamin Holt, Esq Charles A. Loughlin, Esq HOGAN LOVELLS US LLP Columbia Square, 555 Thirteenth St., NW Washington, D.C. 20004 Telephone No.: (202) 637-5600 Facsimile No.: (202) 637-5910 lauren.battaglia@hoganlovells.com

logan.breed@hoganlovells.com benjamin.holt@hoganlovells.com chuck.loughlin@hoganlovells.com

Counsel for Respondent Within Unlimited, Inc.

/s/ Luke Sullivan

CERTIFICATE FOR ELECTRONIC FILING

I certify that the electronic copy sent to the Secretary of the Commission is a true and correct copy of the original filing and that I possess a paper original of the signed document that is available for review by the parties and the adjudicator.

/s/ Luke Sullivan

Luke Sullivan

UNITED STATES OF AMERICA BEFORE THE FEDERAL TRADE COMMISSION OFFICE OF THE ADMINISTRATIVE LAW JUDGES

In the Matter of

Meta Platforms, Inc., et al.,

Respondents.

Docket No. 9411

STATEMENT IN SUPPORT OF RESPONDENTS' MOTION IN LIMINE TO EXCLUDE EXPERT TESTIMONY OF DR. HAL SINGER

Pursuant to Paragraph 4 of the Scheduling Order entered on September 2, 2022, Respondents hereby represent that counsel for the moving parties has conferred with Complaint Counsel by email in an effort in good faith to resolve by agreement issues raised by the motion. The parties corresponded by email on December 20, 2022 to discuss a potential agreement with respect to the evidence that Respondents seek to exclude in this motion. The parties were unable to reach an agreement.

Respectfully submitted,

/s/_Luke Sullivan
Luke Sullivan

UNITED STATES OF AMERICA BEFORE THE FEDERAL TRADE COMMISSION OFFICE OF THE ADMINISTRATIVE LAW JUDGES

In the Matter of		
Meta Platforms, Inc., et al.,		
Respondents.	Docket No. 9411	
	DENTS' MOTION IN LIMINE TO EXCLUDE ONY OF DR. HAL SINGER	
Upon consideration of Respondents'	Motion In Limine To Exclude Expert Testimony of	
Dr. Hal Singer and attached Exhibits, it is	s hereby ORDERED that Respondents' Motion is	
GRANTED.		
IT IS HEREBY ORDERED that Dr	. Hal Singer's opinion and testimony in support of	
Complaint Counsel's market definition are he	ereby stricken from the record and excluded.	
ORDERED:		
Date:		
	D. Michael Chappell Chief Administrative Law Judge	

UNITED STATES OF AMERICA BEFORE THE FEDERAL TRADE COMMISSION OFFICE OF THE ADMINISTRATIVE LAW JUDGES

In the Matter of	
Meta Platforms, Inc., et al.,	
Respondents.	Docket No. 9411

DECLARATION OF LUKE SULLIVAN

- I, Luke Sullivan, declare and state:
- 1. I am an associate with the law firm of Weil, Gotshal & Magnes LLP, counsel for Respondent Meta Platforms, Inc. ("Meta"). I submit this Declaration in Support of Defendants' Motion *In Limine* to Exclude the Expert Testimony of Dr. Hal J. Singer.
- 2. The document cited in the Motion as Ex. A is a true and accurate copy of the Expert Report of Dr. Hal J. Singer dated November 22, 2022 that was submitted in this Court.
- 3. The document cited in the Motion as Ex. B is a true and accurate copy of an excerpt of the trial testimony of Dr. Hal Singer in *FTC v. Meta Platforms Inc.*, *et al.*, 5:22-cv-04325, (N.D. Cal.).
- 4. The document cited in the Motion as Ex. C is a copy of an e-mail from Rachael McChrystal to Evan Leo dated December 10, 2022 and marked in *FTC v. Meta Platforms Inc.*, *et al.*, 5:22-cv-04325, (N.D. Cal.) as exhibit DX1317.
- 5. The document cited in the Motion as Ex. D is a copy of the Declaration of Rachael McChrystal dated December 12, 2022 and marked in *FTC v. Meta Platforms Inc.*, *et al.*, 5:22-cv-04325, (N.D. Cal.) as exhibit DX1325.

6. The document cited in the Motion as Ex. E is a true and accurate copy of the Reply Expert Report of Dr. Hal J. Singer dated November 21, 2022 that was submitted in *FTC* v. Meta Platforms Inc., et al., 5:22-cv-04325, (N.D. Cal.).

I declare under penalty of perjury that the foregoing is true and correct. Executed on this 21st day of December 2022.

/s/ Luke Sullivan

Luke Sullivan

Exhibit A

Submitted In Camera

Exhibit B

PUBlu€

1			
2	UNITED STATES DISTRICT COURT		
3	NORTHERN DISTRICT OF CALIFORNIA		
4	SAN JOSE DIVISION		
5	FEDERAL TRADE COMMISSION,) CV-22-04325 EJD		
6	PLAINTIFF,)		
7) DECEMBER 13, 2022 V.)		
8) VOLUME 2 META PLATFORMS, INC., ET) AL.,) PAGES 304 - 591		
9) FAGES 304 - 391) SEALED PAGES 385 - 395 DEFENDANTS.) SEALED PAGES 588 - 590		
10			
11	TRANSCRIPT OF PROCEEDINGS		
12	BEFORE THE HONORABLE EDWARD J. DAVILA		
13	UNITED STATES DISTRICT JUDGE		
14	<u>APPEARANCES:</u>		
15	FOR THE PLAINTIFF: FEDERAL TRADE COMMISSION DISTRICT OF COLUMBIA		
16	BY: JEANINE BALBACH ABBY DENNIS		
17	ANDREW LOWDON ERIC ELMORE		
18	600 PENNSYLVANIA AVENUE NW SUITE CC-7528		
19	WASHINGTON, DC 20580		
20	BY: PEGGY FEMENELLA 400 7TH STREET SW		
21	WASHINGTON, DC 20024		
22	OFFICIAL COURT REPORTERS: IRENE L. RODRIGUEZ, CSR, RMR, CRR		
23	CERTIFICATE NUMBER 8074 LEE-ANNE SHORTRIDGE, CSR, CRR		
24	CERTIFICATE NUMBER 9595		
25	PROCEEDINGS RECORDED BY MECHANICAL STENOGRAPHY TRANSCRIPT PRODUCED WITH COMPUTER		

10:28AM	1	A. RIGHT.
10:28AM	2	AND SO HERE, YOUR HONOR, WE COME ACROSS AN OBSTACLE, AS WE
10:29AM	3	OFTEN DO IN CASES, IN THAT WE ARE LOOKING FOR EVIDENCE OF HOW
10:29AM	4	SUPERNATURAL CUSTOMERS MAY HAVE REACTED TO A PRICE INCREASE TO
10:29AM	5	ENGAGE THEIR PRICE SENSITIVITY.
10:29AM	6	THE OBSTACLE THAT WE HAVE HERE WAS THAT THERE HAS NEVER
10:29AM	7	BEEN A CHANGE IN THE SUPERNATURAL PRICE. IT'S ALWAYS BEEN
10:29AM	8	18.99 FROM DAY ONE.
10:29AM	9	SO THE PATH THAT AN ECONOMIST WOULD NATURALLY THINK TO GO
10:29AM	10	DOWN, WHICH IS LET'S GO GET DATA, TRANSACTION DATA, AND SEE
10:29AM	11	WHAT HAPPENED TO THEIR SUBSCRIBER BASE, CONTROLLING FOR ALL
10:29AM	12	OTHER THINGS, WHEN THEY RAISED PRICE, THAT WE HAD TO SET TO THE
10:29AM	13	SIDE. OKAY?
10:29AM	14	Q. SO WHAT DID YOU DO?
10:29AM	15	A. RIGHT.
10:29AM	16	SO THE NEXT BEST THING THAT I COULD DO WAS TRY TO IDENTIFY
10:29AM	17	SUPERNATURAL USERS AND TO ASK THEM, THROUGH A SURVEY, WHAT THEY
10:29AM	18	WOULD DO IF THE PRICE WERE TO GO UP BY 5 PERCENT. IT TURNS OUT
10:30AM	19	THAT A 5 PERCENT INCREASE ON 18.99 IS ROUGHLY A DOLLAR PER
10:30AM	20	MONTH.
10:30AM	21	THE COURT: AND THESE ARE SUBSCRIBERS THAT WERE
10:30AM	22	SURVEYED?
10:30AM	23	THE WITNESS: CORRECT.
10:30AM	24	BY MR. ELMORE:
10:30AM	25	Q. AND HOW DID YOU COME UP WITH THIS SURVEY?

10:30AM	1
10:30AM	2
10:30AM	3
10:30AM	4
10:30AM	5
10:30AM	6
10:30AM	7
10:30AM	8
10:30AM	9
10:30AM	10
10:30AM	11
10:30AM	12
10:31AM	13
10:31AM	14
10:31AM	15
10:31AM	16
10:31AM	17
10:31AM	18
10:31AM	19
10:31AM	20
10:31AM	21
10:31AM	22
10:31AM	23
10:31AM	24
10:31AM	25

A. SO I CAME UP WITH A SURVEY THE SAME WAY THAT I'VE COME UP WITH ALL SURVEYS THAT I DO IN THESE LITIGATION MATTERS, WHICH IS THAT I WORK WITH A FIRM CALLED QUALTRICS, IT'S THE NUMBER ONE SURVEY FIRM I THINK IN THE WORLD. WE CONSIDER IT TO BE THE GOLD STANDARD.

AND THERE ARE TWO DIFFERENT PARTS. I AM RESPONSIBLE FOR WHAT'S -- FOR CREATING WHAT IS CALLED THE SURVEY INSTRUMENT, WHICH IS WHAT, WHAT ACTUALLY SURVEY RESPONDENTS ARE GOING TO BE EXPOSED TO. IT'S THE SET OF BACKGROUND QUESTIONS AND DEMOGRAPHIC QUESTIONS, AND THEN ULTIMATELY WE'RE GOING TO GET TO THE PRICE INCREASE. THAT'S, THAT'S MY RESPONSIBILITY.

I WORK -- I SHOULD SAY MY TEAM WORKS WITH QUALTRICS IN THE DESIGN OF THIS INSTRUMENT.

BUT ONCE IT'S SETTLED, ONCE WE HAVE THE INSTRUMENT, WE
HAND IT OFF TO QUALTRICS AND THEN QUALTRICS GOES INTO THE FIELD
AND THEY ACTUALLY, YOU KNOW, FIND THE PANELS, YOU KNOW, THEY DO
EVERYTHING ON THE BACK END.

SO THERE'S A CERTAIN POINT AT WHICH I DO THE HANDOFF, AND THAT HANDOFF IS WHEN I FINISH THE INSTRUMENT, YOU KNOW, I HAVE TO TURN IT OVER TO QUALTRICS.

BUT IN TURNING IT OVER TO QUALTRICS, IT'S LIKE TURNING

OVER A PACKAGE TO UPS. I CAN ASSEMBLE THE PARCEL, BUT ONCE I

GIVE IT TO THEM, THEY ARE THE EXPERTS IN THE FIELD OF GOING OUT

AND ACTUALLY FINDING AND IMPLEMENTING THE SURVEY.

AND I SHOULD JUST NOTE, YOUR HONOR, THAT QUALTRICS WAS THE

10:31AM	1	FIRM THAT I USED IN THE <u>MACBOOK KEYBOARD DEFECT</u> CASE TO DO THAT
10:31AM	2	SURVEY.
10:31AM	3	QUALTRICS WAS THE FIRM THAT I USED TO DO THE SURVEY IN THE
10:32AM	4	JUUL CASE THAT JUDGE ORRICK CERTIFIED THE CASE AROUND.
10:32AM	5	AND A LOT OF THE PUSHBACK FROM DEFENDANTS IS WITH RESPECT
10:32AM	6	TO THE QUALITY OF QUALTRICS, AND I JUST WANT TO SAY THAT IN MY
10:32AM	7	ESTIMATION, THEY ARE THE GOLD STANDARD. YOU CAN'T DO BETTER
10:32AM	8	THAN QUALTRICS. AND THEY'RE USED BY THE MAJORITY OF FORTUNE
10:32AM	9	500 FIRMS. THEY'RE USED BY META THEMSELVES. META IS A PARTNER
10:32AM	10	WITH QUALTRICS IN DOING THEIR OWN SURVEYS. YOU JUST, YOU CAN'T
10:32AM	11	DO BETTER THAN QUALTRICS.
10:32AM	12	THE COURT: SO THE PROCESS IS THAT YOU CREATE THE
10:32AM	13	INSTRUMENT YOU'RE THE EXPERT, YOU DESIGN THE INSTRUMENT, YOU
10:32AM	14	KNOW WHAT THE PROBLEM IS. YOU CREATE AN INSTRUMENT THAT
10:32AM	15	HOPEFULLY WILL INFORM, WITH ITS ANSWERS, TO HELP YOU ASSESS AND
10:32AM	16	CREATE AN OPINION.
10:32AM	17	YOU CREATE THE INSTRUMENT, YOU GIVE IT TO QUALTRICS, IT'S
10:32AM	18	HANDS OFF, YOU'RE NOT CALLING ANYONE, YOU'RE NOT IN THE FIELD.
10:32AM	19	THAT'S THEIR THAT'S WHAT THEY DO.
10:32AM	20	THEY DO WHATEVER THEY DO, AND THEY RETURN THE DOCUMENTS,
10:33AM	21	THE INSTRUMENTS, THEIR RESULTS TO YOU, AND THEN YOU ANALYZE IT?
10:33AM	22	IS THAT HOW THAT WORKS?
10:33AM	23	THE WITNESS: THAT'S ABSOLUTELY RIGHT, YOUR HONOR.
10:33AM	24	ONE SMALL CAVEAT, BUT IT'S IMPORTANT, IS THAT WE HAVE DONE
10:33AM	25	THIS SO MANY TIMES WITH QUALTRICS. THERE ARE CASES I DIDN'T

12:44PM	1	YOU HAVE NO OPINION ON ANY COORDINATED BEHAVIOR BY ANY OF
12:44PM	2	THE NINE VR FITNESS FIRMS THAT YOU INCLUDE IN YOUR DEFINITION
12:44PM	3	OF THE RELEVANT ANTITRUST MARKET; CORRECT?
12:44PM	4	A. MY OPINION I HAVE NOT REACHED AN OPINION AS TO WHETHER
12:44PM	5	THEY'RE CURRENTLY COORDINATING IN THEIR PRICING NOW.
12:44PM	6	I DO, HOWEVER, THINK THAT THE HIGH CONCENTRATION OF THE
12:45PM	7	MARKET MAKES IT SUSCEPTIBLE TO COORDINATION.
12:45PM	8	Q. PUTTING ASIDE PRICING BEHAVIOR, YOU HAVE NOT YET
12:45PM	9	DEMONSTRATED THAT THE EXISTING PARTICIPANTS ARE ENGAGING IN
12:45PM	10	COORDINATED BEHAVIOR; CORRECT?
12:45PM	11	A. THAT'S CORRECT. I DON'T THINK THAT'S A NECESSARY ELEMENT
12:45PM	12	OF THE ECONOMIC PROOF.
12:45PM	13	Q. WELL, I DIDN'T REALLY ASK YOU ABOUT THAT, SIR.
12:45PM	14	I ASKED YOU IF YOU AGREED THAT YOU HAD NOT YET REACHED
12:45PM	15	SUCH AN OPINION, AND YOU HAVE NOT; CORRECT?
12:45PM	16	A. I DIDN'T DO IT, AND IT'S NOT NECESSARY.
12:45PM	17	Q. YOU HAVE NOT OFFERED AN OPINION THAT YOU CAN DEFINE THE
12:45PM	18	RELEVANT ANTITRUST MARKET INDEPENDENT OF THE STATED PREFERENCE
12:45PM	19	SURVEY THAT YOU SAY YOU DESIGNED AND IMPLEMENTED; CORRECT?
12:45PM	20	A. I THINK THAT THE SURVEY WAS AN IMPORTANT ELEMENT OF THE
12:45PM	21	QUANTITATIVE ASSESSMENT THAT I PERFORMED TO ARRIVE AT THE
12:45PM	22	RELEVANT MARKET.
12:45PM	23	BUT I ALSO, AS I EXPLAINED THIS MORNING AND AS I EXPLAINED
12:45PM	24	IN THE DEPOSITION AND IN MY REPORT, THAT THERE ARE TWO PRONGS
12:45PM	25	TO MY MARKET DEFINITION PART OF THE REPORT. I BEGIN WITH A

12:46PM	1	QUALITATIVE PRONG, OR I APPLY THE BROWN SHOE FACTORS, AND THEN
12:46PM	2	I MOVE ON TO THE QUANTITATIVE.
12:46PM	3	OF COURSE THE SURVEY HAS NOTHING TO DO WITH THE
12:46PM	4	QUALITATIVE ASSESSMENT.
12:46PM	5	Q. DID YOU OFFER THE OPINION THAT IF YOUR HYPOTHETICAL
12:46PM	6	MONOPOLIST TEST FAILED, THAT YOU COULD NEVERTHELESS DEFINE THE
12:46PM	7	MARKET BASED ON CHARACTERISTICS?
12:46PM	8	A. I DON'T THINK I'VE OFFERED THAT OPINION. IT TURNED OUT
12:46PM	9	THE TEST WORKS, SO I PROVIDED MY OVERARCHING OPINION IS THE
12:46PM	10	COMBINATION OF THE QUALITATIVE EVIDENCE AND THE QUANTITATIVE
12:46PM	11	EVIDENCE.
12:46PM	12	Q. LET'S LOOK AT PAGE 74 OF YOUR DEPOSITION, LINES 1 THROUGH
12:46PM	13	7.
12:46PM	14	DO YOU RECALL BEING ASKED THE FOLLOWING QUESTION AND
12:46PM	15	GIVING THE FOLLOWING ANSWER:
12:46PM	16	"NO. I'M ACTUALLY ASKING YOU WHETHER YOU'VE OFFERED THAT
12:46PM	17	OPINION. YOU CAN'T DISCLOSE NEW OPINIONS NOW. DID YOU OFFER
12:46PM	18	THAT OPINION THAT IF YOUR HYPOTHETICAL MONOPOLIST TEST FAILED,
12:46PM	19	THAT YOU COULD NEVERTHELESS DEFINE YOUR MARKET BASED ON
12:46PM	20	CHARACTERISTICS?
12:46PM	21	"ANSWER: I NEVER OFFERED THAT OPINION."
12:47PM	22	WAS THAT YOUR TRUTHFUL TESTIMONY?
12:47PM	23	A. YES, AND IT STILL IS.
12:47PM	24	Q. IN YOUR REBUTTAL REPORT, YOU MADE CLEAR THAT THE WAY YOU
12:47PM	25	DEFINED THE CONTOURS OF THE RELEVANT MARKET WAS BY APPLYING THE

1 HYPOTHETICAL MONOPOLIST TEST; CORRECT? 12:47PM 2 YES, I MADE CLEAR THAT. Α. 12:47PM BUT I DID NOT ABANDON THE QUALITATIVE EVIDENCE. THE 3 12:47PM 12:47PM 4 QUALITATIVE EVIDENCE STILL STANDS ON ITS OWN. LET'S LOOK AT PARAGRAPH 3 OF YOUR REBUTTAL REPORT. 12:47PM "IN MY INITIAL REPORT, I DEFINED THE CONTOURS OF THE 12:47PM RELEVANT PRODUCT MARKET BY APPLYING A HYPOTHETICAL MONOPOLIST 12:47PM TEST, " AND ON. 8 12:47PM IS THAT WHAT YOU WROTE? 9 12:47PM 10 A. YES. 12:47PM 11 AND YOU ALSO WROTE IN YOUR REBUTTAL REPORT, AGAIN AT 12:47PM Q. 12:47PM 12 PARAGRAPH 3, THAT NONE OF THAT ANALYSIS RELIED ON COMMON FEATURES OF VR DEDICATED FITNESS APPS; CORRECT? 12:47PM 13 THE HMT TEST, WHICH IS A QUANTITATIVE ANALYSIS, DOES NOT 14 12:47PM 15 RELY ON COMMON FEATURES OF VR DEDICATED FITNESS APPS. 12:47PM IN PARAGRAPH 31 OF YOUR REBUTTAL REPORT, YOU TELL US THAT 16 Q. 12:48PM 17 YOU DO NOT EMPLOY A COMMONALITY OF FEATURES ANALYSIS; CORRECT? 12:48PM 18 WELL, THIS IS IN CONTEXT. YOU HAVE TO UNDERSTAND WHAT ALL 12:48PM 12:48PM 19 FOUR OF YOUR EXPERTS ASSERTED, FALSELY UNFORTUNATELY, WAS THAT 20 I EMPLOYED A COMMONALITY OF FEATURES ANALYSIS TO IDENTIFY THE 12:48PM 21 MARKET PARTICIPANTS, AND I DID NOT DO THAT. 12:48PM 22 YOU BASED YOUR MARKET DEFINITION ON A COMPARISON OF THE 12:48PM 12:48PM 23 CRITICAL LOSS TO THE ACTUAL LOSS, THE LATTER OF WHICH TURNED ON 12:48PM 24 THE SURVEY YOU CONDUCTED; RIGHT? 25 A. I BASED MY MARKET DEFINITION, AS I EXPLAINED EARLIER 12:48PM

12:48PM	1	TODAY, ON A COMBINATION OF THE QUALITATIVE EVIDENCE THAT I
12:48PM	2	REVIEWED TO INFORM THE BROWN SHOE FACTORS, AND ON THE
12:48PM	3	QUANTITATIVE ANALYSIS THAT I PERFORMED, WHICH TURNED ON THE
12:48PM	4	HYPOTHETICAL MONOPOLIST TEST.
12:48PM	5	Q. LET'S GO TO ANOTHER PARAGRAPH OF YOUR REBUTTAL REPORT,
12:48PM	6	PARAGRAPH 34. DIDN'T YOU WRITE IN THAT REPORT, QUOTE, "I BASED
12:49PM	7	MY MARKET DEFINITION ON A COMPARISON OF THE CRITICAL LOSS TO
12:49PM	8	THE ACTUAL LOSS, THE LATTER OF WHICH TURNED ON THE SURVEY I
12:49PM	9	CONDUCTED."
12:49PM	10	AM I READING THAT RIGHT?
12:49PM	11	A. YOU'RE READING THAT RIGHT.
12:49PM	12	Q. LET'S MOVE ON TO A DIFFERENT OPINION THAT YOU'VE GIVEN.
12:49PM	13	YOU HAVE NOT GIVEN AN OPINION THAT FEW FIRMS, OTHER THAN
12:49PM	14	META, ARE CAPABLE OF EFFECTIVE ENTRY INTO THE ALLEGED VR
12:49PM	15	DELIBERATE FITNESS MARKET?
12:49PM	16	THE COURT: COULD YOU REPEAT THAT QUESTION?
12:49PM	17	MR. HANSEN: OF COURSE, YOUR HONOR.
12:49PM	18	Q. YOU HAVE NOT GIVEN AN OPINION THAT FEW FIRMS, OTHER THAN
12:49PM	19	META, ARE CAPABLE OF EFFECTIVE ENTRY INTO THE ALLEGED VR
12:49PM	20	DELIBERATE FITNESS MARKET; CORRECT?
12:49PM	21	A. I MIGHT HAVE TO SEE THAT QUESTION IN FRONT OF ME. IT
12:49PM	22	BEGINS WITH A NOT AND THEN FEW AND THEN TAKES A FEW OTHER
12:49PM	23	TWISTS AND TURNS.
12:49PM	24	I JUST DON'T EVEN KNOW IF I CAN FOLLOW IT.
12:49PM	25	Q. OKAY. LET ME SEE IF I CAN CLARIFY. THANK YOU FOR

12:49PM	1	POINTING THAT OUT.
12:49PM	2	YOU'VE TESTIFIED THAT SONY IS CAPABLE OF DEVELOPING A
12:49PM	3	DELIBERATE VR FITNESS APP; CORRECT?
12:50PM	4	A. I DON'T RECALL HAVING TESTIFIED TO THAT.
12:50PM	5	Q. OKAY. LET'S LOOK AT YOUR DEPOSITION, PAGE 49, LINES 8
12:50PM	6	THROUGH 11.
12:50PM	7	"QUESTION: SO IS IT YOUR IS IT YOUR OPINION THAT SONY
12:50PM	8	IS INCAPABLE OF DEVELOPING A FITNESS APP?
12:50PM	9	"ANSWER: THAT'S THAT'S NOT MY OPINION. I THINK SONY
12:50PM	10	COULD."
12:50PM	11	AND IT GOES ON.
12:50PM	12	YOU THOUGHT SONY COULD DEVELOP SUCH AN APPLICATION;
12:50PM	13	CORRECT?
12:50PM	14	A. OKAY.
12:50PM	15	Q. BYTEDANCE CAN OFFER A VR FITNESS APP, CAN'T IT?
12:50PM	16	A. IT POSSIBLY COULD.
12:50PM	17	Q. DO YOU EVEN KNOW WHAT PICO IS?
12:50PM	18	A. NOW THAT I'VE BEEN REMINDED, PICO IS THE BRAND NAME THAT
12:50PM	19	BYTEDANCE USES TO SELL VR HEADSETS OUTSIDE OF THE U.S.
12:50PM	20	Q. YOU DIDN'T KNOW IT LAST MONDAY, DID YOU?
12:50PM	21	A. I DIDN'T KNOW PICO. OF COURSE I KNEW WHO BYTEDANCE WAS.
12:50PM	22	Q. YOU SAID YOU NEVER HEARD OF PICO AT THE TIME OF YOUR
12:50PM	23	DEPOSITION, DIDN'T YOU?
12:50PM	24	A. THAT'S TRUE.
12:50PM	25	Q. AND YOU DIDN'T KNOW WHO OWNED PICO; CORRECT?

01:31PM	1	ULTIMATELY PRODUCED THE INSTRUMENT AND GAVE IT TO QUALTRICS AND
01:31PM	2	IT WAS EVERYONE'S UNDERSTANDING THAT THEY WOULD GO OUT IN THE
01:31PM	3	FIELD AND CONDUCT THE SURVEY.
01:31PM	4	Q. SO THE SURVEY WAS LAUNCHED ON OCTOBER 3RD OF THIS YEAR;
01:31PM	5	CORRECT?
01:31PM	6	A. I DON'T KNOW THE EXACT LAUNCH DATE.
01:31PM	7	Q. WELL, YOU SAY IT IN YOUR REPORT IN PARAGRAPH 62, SO YOU
01:31PM	8	MUST HAVE KNOWN IT WHEN YOU WROTE YOUR REPORT?
01:31PM	9	A. YES.
01:31PM	10	Q. OKAY. DO YOU ACCEPT WHAT YOU WROTE IN YOUR REPORT AS
01:31PM	11	TRUE?
01:31PM	12	A. YES.
01:31PM	13	Q. THAT WAS 24 DAYS BEFORE YOUR REPORT WAS DUE IN THIS CASE;
01:31PM	14	CORRECT?
01:31PM	15	A. I HAVEN'T DONE THE MATH, BUT THAT SOUNDS RIGHT.
01:31PM	16	Q. THE REPORT WAS DONE ON THE 27TH, AND THE 3 FROM 27 EQUALS
01:31PM	17	24?
01:31PM	18	A. YEAH. I DO RECALL THAT THERE WAS NOT A LOT OF TIME.
01:31PM	19	Q. WOULD IT BE FAIR TO SAY THAT YOU WERE IN A BIT OF A RUSH?
01:32PM	20	A. WE KNOWING HOW LONG IT WAS GOING TO TAKE QUALTRICS TO
01:32PM	21	PERFORM THE SURVEY AND KNOWING THAT WE WERE TARGETING A FAIRLY
01:32PM	22	UNIQUE GROUP OF USERS, I KNEW THAT IT NEEDED TO GO OUT AT THE
01:32PM	23	BEGINNING OF OCTOBER.
01:32PM	24	Q. YOU SAY YOU DIRECTED QUALTRICS TO GET 150 SUPERNATURAL
01:32PM	25	SUBSCRIBERS; CORRECT?

01:32PM	1	
01:32PM	2	
01:32PM	3	
01:32PM	4	
01:32PM	5	
01:32PM	6	
01:32PM	7	
01:32PM	8	
01:32PM	9	
01:32PM	10	
01:32PM	11	
01:32PM	12	
01:33PM	13	
01:33PM	14	
01:33PM	15	
01:33PM	16	
01:33PM	17	
01:33PM	18	
01:33PM	19	
01:33PM	20	
01:33PM	21	
01:33PM	22	
01:33PM	23	
01:33PM	24	
01:33PM	25	

- A. THAT'S CORRECT. WE HAD DONE THE MATH TO FIGURE OUT THAT

 150 WAS THE NUMBER WE NEEDED TO BE ABLE TO SAY AND MAKE AN

 EXTRAPOLATION TO THE POPULATION WITH A CERTAIN LEVEL OF

 CONFIDENCE AND PRECISION.
- Q. BUT THAT'S NOT TRUE, IS IT?
- A. I DON'T KNOW WHAT IS NOT TRUE ABOUT THAT.
- Q. DIDN'T YOU ASK QUALTRICS TO GET YOU 500 COMPLETED SURVEYS FROM SUPERNATURAL PEOPLE?
- A. QUALTRICS WAS READY TO GIVE US UP TO 500, BUT WE LET THEM KNOW BEFOREHAND AND WE LET THEM KNOW AS SOON AS WE HIT 150 THAT THE SURVEY WAS DONE.
- Q. DID YOU OR DID YOU NOT GIVE INSTRUCTIONS TO QUALTRICS TO GET YOU 500 SURVEYS?
- A. WE WERE NEVER GOING TO DO THAT, AND THE REASON WHY WE WERE NOT EVER GOING TO GET TO 500 WAS BECAUSE QUALTRICS CHARGED US A PREMIUM FOR THIS SURVEY.

QUALTRICS TOLD US -- EVEN THOUGH WE HAD USED QUALTRICS

SOMETHING LIKE TEN TIMES IN THE PAST, QUALTRICS TOLD US THAT ON

THIS PASS, THEY WERE GOING TO CHARGE US A PREMIUM BECAUSE IT

WAS GOING TO BE HARDER TO FIND SUPERNATURAL CUSTOMERS.

SO WE DID THE MATH USING THAT FORMULA THAT YOU PROBABLY KNOW THAT TOLD US THAT WE NEEDED TO GET TO 150 IN ORDER TO SAY SOMETHING, MAKE THIS IT'S CALLED EXTERNAL VALIDITY, WHICH IS TO MAKE AN EXTRAPOLATION TO THE POPULATION OF SUPERNATURAL USERS WITH A CERTAIN LEVEL OF CONFIDENCE AND PRECISION.

01:33PM	1	SO GOING IN WE KNEW AND QUALTRICS KNEW THAT WE WERE GOING
01:33PM	2	TO TERMINATE AT 150.
01:33PM	3	NOW, IT'S CONCEIVABLE THAT THE CONTRACT WITH QUALTRICS
01:34PM	4	SAID UP TO 500, BUT THEY KNEW GOING IN BEFOREHAND, AND WE WERE
01:34PM	5	MONITORING THIS THROUGHOUT THE DAY, AND AS SOON AS WE GOT TO
01:34PM	6	150, WE REACHED THE LEVEL OF THE SAMPLE SIZE THAT WE NEEDED AND
01:34PM	7	WE CALLED IT QUITS.
01:34PM	8	Q. LET'S TAKE A LOOK AT DX1317.
01:34PM	9	WERE YOU AWARE THAT QUALTRICS PROVIDED INFORMATION
01:34PM	10	PURSUANT TO A SUBPOENA HERE?
01:34PM	11	A. I'M AWARE.
01:34PM	12	MR. ELMORE: OBJECTION, YOUR HONOR.
01:34PM	13	THE COURT: IS THIS A FOUNDATIONAL OBJECTION?
01:34PM	14	MR. ELMORE: YEAH. IT'S A DISCOVERY OBJECTION
01:34PM	15	BECAUSE THIS INFORMATION WAS RECENTLY PROVIDED TO US WITHIN THE
01:34PM	16	LAST DAY OR SO.
01:34PM	17	MR. HANSEN: WE'RE USING IT TO IMPEACH AND FOR
01:34PM	18	REFRESHING RECOLLECTION, YOUR HONOR.
01:34PM	19	IT WAS RECEIVED BY SUBPOENA. WE BELIEVE IT'S ENTIRELY
01:34PM	20	APPROPRIATE.
01:34PM	21	WHETHER IT WILL BE ADMITTED AS EVIDENCE IS A DIFFERENT
01:34PM	22	QUESTION.
01:34PM	23	THE COURT: WHY DON'T YOU CITE TO THE PAGE AND
01:34PM	24	PARAGRAPH SO YOUR COLLEAGUES HAVE IT?
01:34PM	25	MR. HANSEN: I'M SORRY, YOUR HONOR?

FROM INDIVIDUALS WHO HAVE PLAYED THE GAME SUPERNATURAL." 1 01:41PM WAS THAT THE INSTRUCTION? 2 01:41PM A. THAT'S HOW RACHEL -- I'M SORRY, I CAN'T SEE HER LAST 3 01:41PM 01:41PM 4 NAME -- MUST HAVE INTERNALIZED. BUT YOU KNOW THAT WE MAKE THE RESPONDENT, TO MAKE IT TO 01:41PM 5 OUR SURVEY, YOU HAVE TO ATTEST ON FOUR OCCASIONS, FOUR 01:41PM OCCASIONS, THAT YOU ARE A PAYING SUPERNATURAL SUBSCRIBER AND 01:41PM YOU PAY FOR YOUR OWN SERVICE AS OPPOSED TO SOMEONE ELSE PAYING 8 01:41PM 01:42PM 9 FOR YOU. WE GAVE THOSE -- WE GAVE OUR SCRIPT TO QUALTRICS. 10 01:42PM 11 QUALTRICS KNOWS THE SCRIPT. 01:42PM 01:42PM 12 I THINK THAT WHOEVER WROTE THIS QUESTION DIDN'T KNOW 01:42PM 13 PRECISELY WHAT WE WERE GOING FOR. BUT WE CERTAINLY WEREN'T TRYING TO IDENTIFY RESPONDENTS 01:42PM 14 01:42PM 15 WHO PLAYED IT ONCE. WE WERE TRYING TO FIND CURRENT SUBSCRIBERS, AND WE MADE 01:42PM 16 THEM AFFIRM AND ATTEST TO THAT FOUR TIMES THROUGHOUT THE SURVEY 17 01:42PM 18 BEFORE WE ALLOWED THEM TO COMPLETE IT. 01:42PM 01:42PM 19 Q. SO THE GOLD STANDARD QUALTRICS GOT ANOTHER THING WRONG 20 HERE? IS THAT WHAT YOU'RE TELLING US? 01:42PM 21 I THINK WHAT YOU'RE CONFUSING IS THE QUALITY OF A 01:42PM 01:42PM 22 LITIGATION-INSPIRED DECLARATION THAT WAS CO-AUTHORED BY 01:42PM 23 KELLOGG HUBER, AND YOU'RE JUDGING THE QUALITY OF THAT AGAINST 01:42PM 24 THE QUALITY OF QUALTRICS'S SURVEY. 01:42PM 25 IT'S NIGHT AND DAY. THOSE ARE TWO DIFFERENT THINGS.

01:42PM	1	Q. SO YOU DIDN'T CARRY OUT OR ACCOMPLISH I'M SORRY, LET ME
01:43PM	2	WITHDRAW THAT.
01:43PM	3	WE'VE PREVIOUSLY SHOWN YOU THE REPORT WHERE YOU SAID YOU,
01:43PM	4	DR. SINGER, DESIGNED AND IMPLEMENTED A SURVEY.
01:43PM	5	BUT YOU DIDN'T IMPLEMENT THE SURVEY, DID YOU?
01:43PM	6	A. WELL, I, I WROTE THE INSTRUMENT.
01:43PM	7	BUT AT THAT POINT, AS WE NOW PAINFULLY UNDERSTAND, I HAVE
01:43PM	8	TO TURN IT OVER TO QUALTRICS TO GO OUT IN THE FIELD AND CONDUCT
01:43PM	9	THE SURVEY.
01:43PM	10	Q. SO YOU THINK QUALTRICS IMPLEMENTED THE SURVEY?
01:43PM	11	A. WELL, I DIDN'T USE THE WORD "IMPLEMENT" RIGHT THERE IN MY
01:43PM	12	SENTENCE, BUT I DON'T THINK THERE SHOULD BE ANY CONFUSION HERE.
01:43PM	13	I WRITE THE INSTRUMENT, GET SOME FEEDBACK FROM QUALTRICS.
01:43PM	14	ONCE EVERYONE IS HAPPY, WE UPLOAD THE INSTRUMENT INTO THE
01:43PM	15	QUALTRICS SOFTWARE AND QUALTRICS GOES OUT INTO THE FIELD AND
01:43PM	16	FINDS THE RESPONDENTS.
01:43PM	17	Q. SO YOU DID NOT COMMUNICATE ANYTHING TO QUALTRICS ABOUT
01:44PM	18	WHAT PADDLE PROVIDER TO USE OR NOT USE; CORRECT?
01:44PM	19	A. CORRECT.
01:44PM	20	Q. BECAUSE YOU AS YOU SAID THIS MORNING, QUALTRICS HAS THE
01:44PM	21	EXPERTISE; CORRECT?
01:44PM	22	A. IN CHOOSING PANELS, YES, I WOULDN'T TRY TO OVERTURN
01:44PM	23	QUALTRICS'S CHOICE OF PANELS, THE SAME WAY I WOULDN'T TRY TO
01:44PM	24	OVERTURN UPS'S CHOICE OF LOGISTICS SOFTWARE.
01:44PM	25	THIS IS SOMETHING THAT WE JUST TURN OVER TO THEM, YES.

01:44PM	1	Q. YOU WERE DEFERRING TO QUALTRICS'S EXPERTISE AND JUDGMENT,
01:44PM	2	WERE YOU NOT?
01:44PM	3	A. NOT IN WRITING DECLARATIONS, BUT DEFINITELY IN CONDUCTING
01:44PM	4	THE SURVEY, YES.
01:44PM	5	MR. HANSEN: YOUR HONOR, I MOVE TO STRIKE THE FIRST
01:44PM	6	PART OF THAT ANSWER.
01:44PM	7	THE COURT: WELL, WE HAD A VERY FULSOME CONVERSATION
01:44PM	8	ABOUT ALL OF THAT. I THINK I CAN PARSE THAT OUT. THAT'S FINE.
01:44PM	9	MR. HANSEN: THAT'S FINE.
01:44PM	10	Q. IT'S NOT PROPER, IS IT, DR. SINGER, FOR AN EXPERT TO RELY
01:44PM	11	ON THE EXPERT WORK OF ANOTHER?
01:44PM	12	A. THAT IS NOT A TRUE STATEMENT.
01:44PM	13	Q. YOU'RE FAMILIAR WITH THE LAW ON THAT SUBJECT?
01:45PM	14	A. I'VE DONE THIS ENOUGH TIMES THAT I KNOW THAT ON MANY
01:45PM	15	OCCASIONS I WILL WORK ALONGSIDE, FOR EXAMPLE, AN INDUSTRY
01:45PM	16	EXPERT WHERE THE INDUSTRY EXPERT OFFERS AN OPINION AND I RELY
01:45PM	17	IN PART ON THAT OPINION BECAUSE I DON'T HAVE THE EXPERTISE TO
01:45PM	18	GO INTO THE PARTICULAR INDUSTRY.
01:45PM	19	Q. YOU'VE TOLD US QUITE A LOT ABOUT QUALTRICS, BUT ISN'T IT
01:45PM	20	TRUE THAT YOU PERSONALLY NEVER SPOKE OR INTERACTED WITH
01:45PM	21	QUALTRICS REGARDING THE SURVEY?
01:45PM	22	A. THAT IS TRUE. I HAVE A PROJECT MANAGER AND SHE IS THE
01:45PM	23	PERSON WHO INTERACTS WITH QUALTRICS.
01:45PM	24	Q. AND QUALTRICS DIDN'T IMPLEMENT THIS SURVEY EITHER, DID IT?
01:45PM	25	A. WELL, I THINK THEY DID.

01:45PM	1	Q. WELL, WHEN YOU TESTIFIED AT YOUR DEPOSITION, YOU BELIEVED
01:45PM	2	THAT QUALTRICS WAS THE FIRM THAT APPROACHED POTENTIAL
01:45PM	3	RESPONDENTS; CORRECT?
01:45PM	4	A. WELL, I THINK I MADE THIS CLEAR, THAT QUALTRICS MIGHT
01:45PM	5	SUBCONTRACT WITH OTHER OUTFITS TO EVENTUALLY TO ACTUALLY
01:45PM	6	PERFORM THE SURVEY, BUT I DON'T GET TO INTERFACE WITH THOSE
01:46PM	7	OTHER PARTIES.
01:46PM	8	JUST, AGAIN, I GO BACK TO MY UPS EXAMPLE. UPS MIGHT
01:46PM	9	CONTRACT WITH THIRD PARTIES FOR LOGISTICS, BUT I DON'T GET TO
01:46PM	10	KNOW WHO THOSE ARE AND I DON'T GET TO CONTRACT WITH THEM AND
01:46PM	11	CHOOSE THEM.
01:46PM	12	I'M DEPENDING ON QUALTRICS AND THE QUALITY OF QUALTRICS TO
01:46PM	13	STAND BEHIND ITS SURVEY RESULTS, NO MATTER WHETHER THEY DO IT
01:46PM	14	IF THEY'RE VIRTUALLY INTEGRATED OR IF THEY USE THIRD PARTIES.
01:46PM	15	Q. AT THE TIME OF YOUR DEPOSITION, YOU THOUGHT QUALTRICS HAD
01:46PM	16	PANELS AVAILABLE TO IT AND IT WAS GOING TO USE THOSE PANELS;
01:46PM	17	CORRECT?
01:46PM	18	A. NO, I DON'T THINK THAT'S WHAT I TESTIFIED TO. I THINK I
01:46PM	19	ACKNOWLEDGED THAT QUALTRICS MIGHT USE THIRD PARTY PANEL
01:46PM	20	PROVIDERS MANY TIMES.
01:46PM	21	Q. YOU THOUGHT THAT QUALTRICS WENT WITH ONE PANEL AND IT WAS
01:46PM	22	THEIR OWN PANEL; CORRECT?
01:46PM	23	A. NO, THAT'S NOT WHAT I SAID.
01:46PM	24	Q. LET'S LOOK AT YOUR DEPOSITION AT PAGE 139, LINES 15 TO 21.
01:47PM	25	"WHAT IS YOUR UNDERSTANDING?

01:47PM	1	"YOU SEE, I THINK THEY WENT WITH ONE."
01:47PM	2	A. WELL, YOUR QUESTION JUST NOW IS, "I WENT WITH ONE AND IT
01:47PM	3	WAS QUALTRICS, SO THAT IS NOT WHAT I TESTIFIED TO.
01:47PM	4	THE CONVERSATION HERE WAS HOW MANY THEY USED, AND I WAS
01:47PM	5	UNCERTAIN AS TO HOW MANY THEY USED.
01:47PM	6	MY UNDERSTANDING WAS THAT THE VAST MAJORITY, IF NOT ALL,
01:47PM	7	WAS COMING FROM ONE PANEL.
01:47PM	8	Q. WERE YOU AWARE THAT QUALTRICS DOES NOT MAINTAIN ITS OWN
01:47PM	9	PANELS OF SURVEY RESPONDENTS? WERE YOU AWARE OF THAT?
01:47PM	10	A. THAT IT FULLY OUTSOURCES? I'M NOT AWARE OF THAT.
01:47PM	11	WHEN YOU GO TO THE QUALTRICS WEBSITE, I'M NOT AWARE THAT
01:47PM	12	THEY DON'T DO ANY OF THEIR OWN PANELS.
01:47PM	13	Q. LET'S LOOK AT PARAGRAPH 3 OF WHAT QUALTRICS SENT OVER THE
01:47PM	14	WEEKEND, AND THIS HAS ALSO BEEN INCLUDED IN THE SWORN
01:47PM	15	DECLARATION.
01:47PM	16	IT SAYS, "QUALTRICS DOES NOT MAINTAIN ITS OWN PANELS OF
01:47PM	17	SURVEY RESPONDENTS, BUT INSTEAD SUBCONTRACTS THESE SERVICES TO
01:47PM	18	THIRD PARTIES."
01:47PM	19	IS THAT NOT TRUE?
01:47PM	20	A. I DON'T KNOW HOW TO VERIFY THIS. WHAT I I DON'T KNOW
01:48PM	21	IF THIS COULD BE ASCERTAINED SOLELY BY GOING TO, SAY, ITS
01:48PM	22	WEBSITE.
01:48PM	23	Q. WELL, QUALTRICS HAS ALSO TOLD US THAT THEY ENGAGE THREE
01:48PM	24	FIRMS IN PARAGRAPH 4 TO IMPLEMENT, I'LL USE THE WORD IMPLEMENT,
01:48PM	25	"ECON ONE'S SURVEY: CINT (ALSO KNOWN AS LUCID/FEDERATED)

01:48PM	1	DYNATA, AND TORFAC."
01:48PM	2	IS THAT TRUE?
01:48PM	3	A. I HAVE NO REASON TO BELIEVE IT'S NOT TRUE.
01:48PM	4	Q. AT THE TIME OF YOUR DEPOSITION LAST WEEK, YOU DIDN'T KNOW
01:48PM	5	THE NAME OF ANY OF THESE FIRMS; CORRECT?
01:48PM	6	A. THERE'S NO WAY THAT I COULD KNOW THE NAMES OF THEM.
01:48PM	7	Q. AND YOU DIDN'T KNOW WHAT THEY DID TO IMPLEMENT THE SURVEY,
01:48PM	8	DID YOU?
01:48PM	9	A. I DON'T KNOW WHAT YOU MEAN BY THE QUESTION.
01:48PM	10	Q. DID YOU KNOW WHAT THEY DID TO IMPLEMENT THE SURVEY?
01:48PM	11	A. I KNOW ROUGHLY THAT ANY PANEL PROVIDER HAS A LIST OF
01:48PM	12	RESPONDENTS AND THEY RANDOMLY SELECT AMONG THAT LIST AS TO WHO
01:49PM	13	IS GOING TO GET THE SURVEY, AND THEY NOTIFY THEM I BELIEVE VIA
01:49PM	14	EMAIL, AND THAT'S THE INITIATION OF THE SURVEY.
01:49PM	15	Q. YOU DON'T KNOW ANYTHING ABOUT WHO THESE THREE FIRMS
01:49PM	16	CONTACTED; CORRECT?
01:49PM	17	A. THEY CONTACTED RESPONDENTS WHO WERE IN THEIR PANEL.
01:49PM	18	THAT'S WHAT I KNOW.
01:49PM	19	Q. DO YOU KNOW ANYTHING ELSE ABOUT IT? DO YOU KNOW ANYTHING
01:49PM	20	ELSE OTHER THAN THEY CONTACTED PEOPLE WHO WERE IN THE PANELS?
01:49PM	21	A. I HAVE AN UNDERSTANDING, WORKING FROM CONVERSATIONS AGAIN,
01:49PM	22	NOT DIRECTLY BUT THROUGH MY CASE MANAGER AND QUALTRICS, THAT
01:49PM	23	SOMETIMES THE PANELS WILL USE FILTERS IN ORDER TO INCREASE THE
01:49PM	24	LIKELIHOOD THAT THEY FIND A SUBSCRIBER OR USER, PARTICULARLY IF
01:49PM	25	IT'S A USER FROM A REMOTE POPULATION.
		1

01:49PM	1	Q. AND YOU HAVE NO BASIS FOR THINKING THAT THAT HAPPENED
01:49PM	2	HERE, DO YOU?
01:49PM	3	A. IT COULD HAVE HAPPENED. LIKE, FOR EXAMPLE, TO THE EXTENT
01:49PM	4	THAT ONE OF THESE PANELS TITLED THE SURVEY VR SURVEY, THEN IF
01:50PM	5	SOMEONE IS NOT INTERESTED IN VR, WHEN THEY GET THE EMAIL, THEY
01:50PM	6	MIGHT JUST NOT CLICK ON IT.
01:50PM	7	BUT THAT WOULD BE A VERY EFFICIENT WAY TO DRILL DOWN TO
01:50PM	8	THOSE WHO ARE IN THE PERSPECTIVE MARKET.
01:50PM	9	Q. IN FACT, THE BULK OF THE RESPONDENTS WERE SOLICITED FROM
01:50PM	10	THAT FIRM CALLED CINT; CORRECT?
01:50PM	11	A. THAT'S MY UNDERSTANDING, BUT ONLY FROM READING THIS
01:50PM	12	DECLARATION. I WOULD NOT HAVE KNOWN THAT, NOR COULD I HAVE
01:50PM	13	KNOWN THAT FROM WHAT I HAD DONE WITH QUALTRICS.
01:50PM	14	Q. AND CINT IS NOT A FIRM THAT YOU KNOW ANYTHING ABOUT THE
01:50PM	15	REPUTATION OF; CORRECT?
01:50PM	16	A. I'VE DONE VERY LITTLE INVESTIGATION OF CINT. I UNDERSTAND
01:50PM	17	THAT THEY HAVE PARTNERSHIPS WITH OTHER PANEL PROVIDERS IN THIS
01:50PM	18	MARKETPLACE.
01:50PM	19	I CAN INFER THAT IF QUALTRICS USES THEM AND QUALTRICS IS
01:50PM	20	THE GOLD STANDARD, THEN AT LEAST QUALTRICS BELIEVES THAT THESE
01:51PM	21	PANEL PROVIDERS ARE SOUND AND OF HIGH QUALITY.
01:51PM	22	Q. DO YOU KNOW THAT CINT HAS PROVIDED A DECLARATION IN THIS
01:51PM	23	MATTER?
01:51PM	24	A. I DON'T KNOW. I DON'T KNOW IF THEY DID.
01:51PM	25	CERTAINLY IF IT CAME IN, IT WOULD HAVE COME IN LAST NIGHT,

BUT I'M NOT AWARE OF IT. 1 01:51PM 2 ARE YOU AWARE THAT CINT OR LUCID SOURCED 183 RESPONDENTS Q. 01:51PM THAT FULLY COMPLETED SURVEYS? 3 01:51PM 01:51PM 4 I DON'T KNOW THE NUMBER THAT CAME FROM CINT. AND, IN FACT, YOU HAVE DATA THAT SHOWS FAR FEWER REVIEWS 01:51PM BY YOU IN YOUR SURVEY, APPROXIMATELY 137; RIGHT? 01:51PM QUALTRICS IMPOSES CERTAIN QUALITY PROVISIONS, FILTERS --01:51PM I'M SORRY. THIS IS IMPORTANT. 8 01:51PM QUALTRICS IMPOSES CERTAIN QUALITY CONTROLS ON SURVEY 9 01:51PM 10 RESPONSES THAT THEY GET BACK FROM A PANEL PROVIDER. AND TO THE 01:51PM 11 EXTENT THE RESPONSE DOESN'T MEET THE CRITERIA, THE QUALITY 01:52PM 01:52PM 12 CRITERIA OF QUALTRICS, THEN THAT RESPONSE COULD BE THROWN OUT. DO YOU KNOW WHY 46 RESPONSES TO YOUR SURVEY WERE THROWN 01:52PM 13 OUT? 14 01:52PM 15 FOR THE REASONS THAT I -- MY BEST SURMISE IS FOR THE 01:52PM REASONS I'VE JUST LAID OUT. 16 01:52PM 17 Q. AND IT'S JUST A SURMISE, ISN'T IT? 01:52PM WELL, I DID NOT CALL UP QUALTRICS AND INTERVIEW THEM AS TO 18 01:52PM 01:52PM 19 WHY THEY PRESENTED ME THE RESULTS THAT THEY DID. 20 WHAT I KNOW IS THAT -- I'M JUST NOW LEARNING THIS 01:52PM 21 LITERALLY IN REAL TIME, THAT THE NUMBER THAT THEY GOT BACK FROM 01:52PM 22 CINT YOU ASSERT IS 180, THEY IMPOSE CERTAIN FILTERS, WE KNOW 01:52PM 23 THIS, AND THAT WOULD BE THE BEST EXPLANATION AS TO WHY THEY 01:52PM 24 DON'T ALL GET INTO THE FINAL SURVEY. 01:52PM 25 BUT IT'S IMPORTANT TO NOTE FOR YOUR HONOR AND FOR THE 01:52PM

02:02PM	1	SURVEYS, YOU HAVE TO ATTEST THAT FOUR TIMES.
02:02PM	2	AND SO, YES, WE ARE INTERPRETING THEM TO BE SUPERNATURAL
02:02PM	3	CUSTOMERS.
02:02PM	4	Q. AND THERE'S NO VALIDATION FOR THIS. YOU'RE JUST RELYING
02:02PM	5	ON WHAT PEOPLE TELL YOU; CORRECT?
02:02PM	6	A. WE HAVE TO RELY ON WHAT PEOPLE TELL US, AS DOES ANYBODY
02:02PM	7	WHO PUTS A SURVEY IN THE FIELD.
02:02PM	8	Q. SO, FIRST OF ALL, IT WAS HIGHLY UNLIKELY THAT YOU ACTUALLY
02:02PM	9	GOT 150,000 SUPERNATURAL SUBSCRIBERS FROM 10,000 EMAILS BEING
02:02PM	10	SENT OUT; CORRECT?
02:02PM	11	THE COURT: 150,000?
02:02PM	12	BY MR. HANSEN:
02:02PM	13	Q. 150 RESPONSES FROM 10,000 SURVEYS RESPONDENTS I'M
02:02PM	14	SORRY.
02:02PM	15	IT WAS IMPLAUSIBLE THAT, FROM A POOL OF 10,000 PEOPLE
02:03PM	16	CONTACTED BY SOME SURVEY FIRM THAT YOU DIDN'T KNOW, IT WOULD BE
02:03PM	17	IMPLAUSIBLE THAT FROM THAT SOLICITATION, YOU WOULD FIND 150
02:03PM	18	ACTUAL SUPERNATURAL SUBSCRIBERS IN THAT 10,000; RIGHT?
02:03PM	19	A. WELL, IT IS PLAUSIBLE, AND THE REASON WHY IT IS PLAUSIBLE
02:03PM	20	IS THAT, NUMBER ONE, NOW WE KNOW THAT THEY REACHED OUT ACTUALLY
02:03PM	21	TO 12,000 ACCORDING TO LAST NIGHT'S DECLARATION THAT WAS
02:03PM	22	SUBMITTED, BUT EVEN SO, YOU MAY NOT UNDERSTAND, BUT THOSE ARE
02:03PM	23	SURVEYS THAT ARE INITIATED BY A RESPONDENT.
02:03PM	24	THE CAST, THE NET OF THOSE WHO RECEIVED THE SURVEY
02:03PM	25	INSTRUMENT WAS PRESUMABLY MUCH LARGER.

02:03PM	1	TO GET IT INTO THAT 12,000, YOU HAVE TO ACTUALLY INITIATE
02:03PM	2	THE SURVEY RESPONSE.
02:03PM	3	Q. LET'S DO THE MATH. I'VE GOT A DEMONSTRATIVE UP TO TRY TO
02:03PM	4	HELP US DO THAT.
02:03PM	5	YOU SAID YOU GOT 150 COMPLETED SUPERNATURAL RESPONSES;
02:03PM	6	RIGHT?
02:03PM	7	A. CORRECT.
02:03PM	8	Q. AND WE'LL USE 10,000 BECAUSE THAT'S WHAT YOU THOUGHT PRIOR
02:04PM	9	TO YESTERDAY; RIGHT?
02:04PM	10	A. 10,000 INITIATED THE SURVEY.
02:04PM	11	BUT THAT'S NOT THE NUMBER OF RESPONDENTS WHO RECEIVED THE
02:04PM	12	SURVEY.
02:04PM	13	Q. HOW MANY RECEIVED THE SURVEY?
02:04PM	14	A. WE DON'T KNOW.
02:04PM	15	Q. IN FACT, THERE WERE ONLY 10,000 PEOPLE CONTACTED; ISN'T
02:04PM	16	THAT RIGHT?
02:04PM	17	A. NO, THAT IS NOT RIGHT.
02:04PM	18	Q. LET'S GO BACK TO PARAGRAPH 68 OF YOUR REPORT AND SEE WHAT
02:04PM	19	YOU TOLD US THERE. WE HAVE GONE THROUGH THIS BEFORE, BUT YOU
02:04PM	20	SAY, "I REACHED OUT TO QUALTRICS WHO CONFIRMED THAT THE SURVEY
02:04PM	21	WAS DISTRIBUTED TO APPROXIMATELY 10,000 POTENTIAL RESPONDENTS."
02:04PM	22	THAT TELLS US IT WAS DISTRIBUTED OUT, NOT THAT IT WAS
02:04PM	23	INITIATED BY 10,000 PEOPLE, DOESN'T IT?
02:04PM	24	A. THAT'S WHAT IT SAYS.
02:04PM	25	BUT MY UNDERSTANDING NOW IS THAT THE 10,000 IS THE

02:04PM	1	INITIATIONS.
02:04PM	2	Q. WELL, WHAT IT SAYS
02:04PM	3	A. OKAY.
02:04PM	4	Q. WELL, THIS IS WHAT YOU SAID IN YOUR REPORT?
02:04PM	5	A. THAT'S CORRECT, THAT'S WHAT I SAID.
02:04PM	6	Q. LET'S GO BACK TO MY DEMONSTRATIVE.
02:04PM	7	150 OUT OF 10,000 IS WHAT PERCENTAGE?
02:05PM	8	A. I DON'T KNOW.
02:05PM	9	Q. IT'S 1.5 PERCENT; CORRECT?
02:05PM	10	A. THAT SEEMS RIGHT.
02:05PM	11	Q. OKAY. THERE ARE ABOUT 250 MILLION ADULTS IN THE
02:05PM	12	UNITED STATES, AREN'T THERE?
02:05PM	13	A. APPROXIMATELY.
02:05PM	14	Q. OKAY. WELL, LET'S USE 200 MILLION JUST FOR EASE OF
02:05PM	15	CALCULATION.
02:05PM	16	1.5 PERCENT OF 200 MILLION IS WHAT? 3 MILLION; RIGHT?
02:05PM	17	THE COURT: IT'S REALLY UNFAIR TO ASK THAT QUESTION.
02:05PM	18	MR. HANSEN: THAT'S WHY WE DID IT ON THE SCREEN,
02:05PM	19	YOUR HONOR.
02:05PM	20	Q. I'M NOT TESTING YOUR MATH, BUT WOULD YOU ACCEPT MY
02:05PM	21	REPRESENTATION THAT IF YOU DO THE MATH, 1.5 PERCENT OF 200
02:05PM	22	MILLION IS 3 MILLION?
02:05PM	23	A. SURE.
02:05PM	24	Q. AND, IN FACT, SUPERNATURAL HAS NOWHERE NEAR THAT NUMBER OF
02:05PM	25	SUBSCRIBERS; CORRECT?

02:08PM	1	TO SPEED THE PROCESS AND BECOME MORE EFFICIENT IN FINDING THESE
02:08PM	2	REMOTE POPULATIONS?
02:08PM	3	Q. IS THE ANSWER TO MY QUESTION, YES, THEY USE GENERAL
02:08PM	4	POPULATION PANELS?
02:08PM	5	A. I THINK IT'S FAIR THAT AS A BEGINNING THAT THEY WOULD USE
02:08PM	6	A GENERAL POPULATION PANEL, YES.
02:08PM	7	Q. OTHER THAN THAT, SITTING HERE ALL YOU'RE DOING IN YOUR
02:09PM	8	WITNESS CHAIR THERE IS SPECULATING WHAT MIGHT HAVE HAPPENED;
02:09PM	9	RIGHT? YOU HAVE NO KNOWLEDGE OF WHAT ACTUALLY HAPPENED, DO
02:09PM	10	YOU?
02:09PM	11	A. I'M TELLING YOU, I DON'T GET TO INTERVIEW THESE PANELS,
02:09PM	12	BUT I DID GET TO ASK, THROUGH MY CASE MANAGER, HOW THE PANELS
02:09PM	13	CAN MORE EFFICIENTLY TARGET REMOTE POPULATIONS, AND I WAS
02:09PM	14	TOLD I'M GETTING THIS BACK FROM MY CASE MANAGER THAT
02:09PM	15	FILTERS CAN BE USED, AND ALSO THE QUESTIONNAIRE CAN BE USED AS
02:09PM	16	A WAY TO EFFICIENTLY GET TO THE REMOTE POPULATION.
02:09PM	17	Q. WHAT YOU GOT FROM THE 150 RESPONSES WAS HUNDREDS OF FALSE
02:09PM	18	ANSWERS FROM VIRTUALLY EVERY ONE OF THE RESPONDENTS; CORRECT?
02:09PM	19	A. NO.
02:09PM	20	Q. LET'S LOOK AT SOME OF THE DATA THAT WAS PROVIDED TO YOU ON
02:09PM	21	OCTOBER 21. LET'S START OUT WITH YOUR SURVEY.
02:09PM	22	IT'S FILLED OUT ONLINE; CORRECT?
02:09PM	23	A. CORRECT.
02:09PM	24	Q. AND THE FIRST QUESTION THAT WAS ASKED LOOKS LIKE THIS FROM
02:09PM	25	YOUR REPORT AT 107. QUESTION 1 IS, HOW OLD ARE YOU; RIGHT?

02:09PM	1	A. YES.
02:09PM	2	Q. AND BY THE WAY, PEOPLE WHO WANT TO GET PAID HAVE TO MAKE
02:09PM	3	IT ALL THROUGH THE SURVEY QUESTION 22. IF FOR SOME REASON
02:10PM	4	THEY'RE DROPPED BEFORE THEN, THEY DON'T GET PAID; RIGHT?
02:10PM	5	A. I THINK THAT COULD BE RIGHT, BUT SITTING HERE, I DON'T
02:10PM	6	HAVE A DEFINITIVE ANSWER ON THAT.
02:10PM	7	Q. WELL, DID YOU TESTIFY TO THAT EFFECT AT YOUR DEPOSITION?
02:10PM	8	A. IT'S POSSIBLE THAT I HAD BEEN TOLD PRIOR TO THAT
02:10PM	9	DEPOSITION THAT THAT'S HOW IT WORKED.
02:10PM	10	SITTING HERE, I CAN'T TELL YOU WHAT THE QUALIFICATIONS ARE
02:10PM	11	TO ACTUALLY BE PAID.
02:10PM	12	Q. DO YOU RECALL TESTIFYING THAT, QUOTE, "MY UNDERSTANDING IS
02:10PM	13	THAT YOU ONLY GET COMPENSATION AT THE MARGIN, THAT IS, FOR
02:10PM	14	COMPLETING THE SURVEY"?
02:10PM	15	A. OKAY, I SAID THAT. BUT IT'S POSSIBLE GOING INTO THAT
02:10PM	16	DEPOSITION I ASKED SOMEBODY HOW YOU GOT PAID.
02:10PM	17	BUT SITTING HERE, IT'S JUST NOT A FACT THAT I CAN RECALL.
02:10PM	18	Q. WAS THAT YOUR TESTIMONY?
02:10PM	19	A. THAT WAS I DON'T KNOW. I DON'T HAVE MY DEPOSITION
02:10PM	20	TRANSCRIPT.
02:10PM	21	Q. LET'S PUT IT UP. SINGER DEPOSITION, 172, 16 TO 21.
02:10PM	22	"DO YOU KNOW IF THE INCENTIVE WAS PROVIDED TO RESPONDENTS
02:10PM	23	WHO DIDN'T COMPLETE THE SURVEY?
02:10PM	24	"ANSWER: MY UNDERSTANDING IS THAT YOU ONLY GET
02:10PM	25	COMPENSATION AT THE MARGIN, THAT IS FOR COMPLETING THE SURVEY.

02:11PM	1	YOU DON'T GET INCREMENTAL COMPENSATION UNLESS YOU COMPLETE THE
02:11PM	2	SURVEY."
02:11PM	3	WAS THAT YOUR TRUTHFUL TESTIMONY?
02:11PM	4	A. YES.
02:11PM	5	Q. SO THE FIRST SUBSTANTIVE QUESTION IS QUESTION 4; RIGHT?
02:11PM	6	WE'LL PUT UP QUESTION 4. IT ASKS ABOUT FITNESS OFFERINGS.
02:11PM	7	A. YES.
02:11PM	8	Q. AND FOR THAT QUESTION, THAT'S WHERE YOU QUALIFY WHETHER
02:11PM	9	YOU'RE GOING TO GET SUPERNATURAL SUBSCRIBERS OR NOT? IF PEOPLE
02:11PM	10	DON'T CHECK THE BOX FOR SUPERNATURAL HERE, THEY GET TOSSED FROM
02:11PM	11	THE SURVEY?
02:11PM	12	A. THAT IS THE FIRST OF FOUR FILTERS, YES.
02:11PM	13	Q. BUT IT'S A FILTER THOUGH, ISN'T IT?
02:11PM	14	A. YES. WE'RE TRYING TO IDENTIFY WHO IS SUPERNATURAL WITHOUT
02:11PM	15	LETTING THEM KNOW THAT THIS IS ABOUT SUPERNATURAL.
02:11PM	16	Q. AND IT'S NOT A CONFUSING QUESTION, IS IT?
02:11PM	17	A. I DIDN'T THINK IT WOULD BE CONFUSING, OF COURSE, WHEN I
02:11PM	18	DRAFTED IT AT THE TIME.
02:11PM	19	Q. WELL, LET'S READ IT. "WHICH OF THE FOLLOWING FITNESS
02:11PM	20	OFFERINGS DO YOU REGULARLY USE (I.E. USE MORE THAN ONCE PER
02:12PM	21	MONTH)? (SELECT ALL THAT APPLY.)"
02:12PM	22	VERY CLEAR, THOUGH, RIGHT?
02:12PM	23	A. I WOULD HOPE SO. BUT YET WE GOT A SUBSET OF CUSTOMERS WHO
02:12PM	24	CHECKED ALL OF THE BOXES.
02:12PM	25	SO YOU WOULD HOPE IT WAS CLEAR, BUT ONE OF TWO THINGS

02:12PM	1	COULD HAVE HAPPENED.
02:12PM	2	WE HAD 21 RESPONDENTS, YOUR HONOR, OF THE 150 WHO CHECKED
02:12PM	3	ALL OF THE BOXES HERE.
02:12PM	4	Q. I'M JUST ASKING IF THE QUESTION WAS CLEAR. I DON'T THINK
02:12PM	5	WE NEED A WHOLE LOT OF EXPLANATION.
02:12PM	6	A. OH.
02:12PM	7	Q. IS THE QUESTION CLEAR OR NOT CLEAR?
02:12PM	8	A. I THOUGHT IT WAS CLEAR WHEN I WROTE IT AT THE TIME, YES.
02:12PM	9	Q. GREAT.
02:12PM	10	SO THE TIMING FOR THIS IS IN OCTOBER; RIGHT?
02:12PM	11	A. CORRECT.
02:12PM	12	Q. AND SO YOU'RE ASKING PEOPLE WHAT THEY USE REGULARLY IN
02:12PM	13	OCTOBER?
02:12PM	14	A. YES.
02:12PM	15	Q. AND THERE'S NO WAY FOR A RESPONDENT TO KNOW WHAT THE RIGHT
02:12PM	16	ANSWER TO QUESTION 4 IS, CORRECT, IN THE SENSE THAT YOU DON'T
02:12PM	17	KNOW WHICH BOX YOU HAVE TO CHECK TO BE ALLOWED TO CONTINUE IN
02:12PM	18	THE SURVEY; TRUE?
02:12PM	19	A. YOU DON'T KNOW WHICH BOX YOU HAVE TO CHECK, THAT'S
02:12PM	20	CORRECT, YES.
02:12PM	21	Q. OKAY. AS YOU SAID, YOU CAN'T TELL PEOPLE THIS IS FOR
02:12PM	22	SUPERNATURAL SUBSCRIBERS BECAUSE THAT WOULD BIAS THE SURVEY;
02:13PM	23	CORRECT?
02:13PM	24	A. IT COULD IF THEY KNEW WHAT IT WAS ABOUT, YES.
02:13PM	25	Q. BUT ONE WAY YOU COULD MAKE SURE YOU GOT TO CONTINUE IN THE

02:13PM	1	SURVEY AND GET PAID WOULD BE TO CHECK ALL OF THE BOXES; RIGHT?
02:13PM	2	A. RIGHT. WELL, I MEAN, THAT COULD BE THE MOTIVATION.
02:13PM	3	I THINK MORE LIKELY WHAT HAPPENED IS THAT THOSE 21
02:13PM	4	PEOPLE 21 OF THE 150 CHECKED ALL OF THE BOXES.
02:13PM	5	I KNOW THAT COUNSEL'S INTERPRETATION WAS THAT THEY WERE
02:13PM	6	LYING. ANOTHER INTERPRETATION WAS THAT THEY JUST MISUNDERSTOOD
02:13PM	7	THE QUESTION.
02:13PM	8	BUT IMPORTANTLY, IF YOU EXCLUDE ALL 21 OF THOSE
02:13PM	9	RESPONDENTS
02:13PM	10	Q. THAT'S REALLY BEYOND THE QUESTION.
02:13PM	11	A. YOU DON'T WANT THIS TO COME OUT AND YOU DON'T WANT THE
02:13PM	12	JUDGE TO KNOW THIS; RIGHT?
02:13PM	13	Q. PLEASE ANSWER MY QUESTION.
02:13PM	14	THE COURT: PLEASE TALK ONE AT A TIME.
02:13PM	15	ASK YOUR NEXT QUESTION.
02:13PM	16	BY MR. HANSEN:
02:13PM	17	Q. LET'S HAVE THE QUESTION, PLEASE.
02:13PM	18	IT'S TRUE, IS IT NOT, THAT A PERSON COULD CHECK ALL 27 OF
02:13PM	19	YOUR BOXES AND STILL BE ALLOWED TO CONTINUE IN YOUR SURVEY?
02:13PM	20	TRUE OR FALSE?
02:13PM	21	A. YOU COULD CONTINUE THROUGH HERE, BUT YOU WOULD HAVE TO
02:13PM	22	PASS THREE MORE TESTS BEFORE WE WOULD RULE YOU IN AS A
02:14PM	23	SUPERNATURAL PAYING SUBSCRIBER.
02:14PM	24	Q. BUT IN THOSE THREE MORE TESTS, YOU KNOW THE ANSWER IS
02:14PM	25	SUPERNATURAL BECAUSE IT'S BEING ASKED SPECIFICALLY ABOUT

1 SUPERNATURAL; CORRECT? 02:14PM 2 CORRECT. Α. 02:14PM OKAY. SO THE ONLY ONE YOU DON'T KNOW FROM THE QUESTION, 3 Q. 02:14PM 02:14PM 4 OR THE RIGHT ANSWER IS SUPERNATURAL, IS QUESTION 4; CORRECT? Α. CORRECT. 02:14PM 5 LET'S NOW LOOK AT THE DATA. 0. 02:14PM YOU CHARACTERIZED IN YOUR REBUTTAL REPORT THAT THERE ARE, 02:14PM QUOTE, A HANDFUL OF SPECIFIC RESPONSES THAT ARE IN DISPUTE. 8 02:14PM DO YOU RECALL THAT PART OF YOUR REPORT? 9 02:14PM NO. I'M SORRY. I'VE SAID QUITE CLEARLY THERE ARE ALL 21 10 02:14PM Α. 11 WHO CHECKED THE BOXES. I DON'T KNOW IF YOU WANT TO CALL A THAT 02:14PM 02:14PM 12 A HANDFUL OR NOT. IT'S 21 OUT OF 150. BUT IMPORTANTLY, IF YOU REMOVE ALL 21, THERE'S NO 13 02:14PM EFFECT -- IF YOU REMOVE THE 21 RESPONDENTS WHO CHECKED ALL 14 02:14PM 15 OPTIONS, THERE IS BARELY ANY EFFECT, NO EFFECT ON THE ACTUAL 02:14PM SHARE LOSS. IT STILL COMES IN BELOW THE CRITICAL LOSS AND, 16 02:15PM 17 THEREFORE, IT HAS NO EFFECT ON THE OUTCOME OF THE SURVEY. 02:15PM 18 WITH ALL RESPECT, COULD YOU PLEASE ANSWER MY QUESTION? 02:15PM Q. 02:15PM 19 MY QUESTION WAS WHETHER YOU PUT IN YOUR REBUTTAL REPORT 20 THAT THERE WERE A HANDFUL OF SPECIFIC RESPONSES THAT WERE 02:15PM 21 CRITICIZED BY DR. DUBE? 02:15PM 22 OH, NOW YOU'RE SAYING RESPONSES. 02:15PM 23 SO THERE WERE A HANDFUL OF RESPONSES -- MAYBE I'M CONFUSED 02:15PM 02:15PM 24 WITH RESPONSES. 25 LET'S LOOK AT YOUR REBUTTAL REPORT AT PARAGRAPH 101. Q. 02:15PM

02:15PM	1	DIDN'T YOU WRITE AT PARAGRAPH 101 THAT "DR. DUBE POINTS TO
02:15PM	2	A HANDFUL OF SPECIFIC RESPONSES IN IMPLYING THAT MY SURVEY
02:15PM	3	OVERALL IS UNRELIABLE."
02:15PM	4	IS THAT WHAT YOU WROTE?
02:15PM	5	A. YES.
02:15PM	6	Q. SO YOU THINK THERE ARE ONLY A HANDFUL OF SPECIFIC
02:15PM	7	RESPONSES THAT ARE AT ISSUE HERE; IS THAT RIGHT?
02:15PM	8	A. I THINK "HANDFUL" WAS MEANT IN RELATIONSHIP TO THE
02:15PM	9	QUESTIONS. MAYBE THAT WAS AN INARTFUL WAY OF DOING IT.
02:15PM	10	BUT I THINK DR. DUBE SEIZED IN ON QUESTION 4 AND THE
02:16PM	11	RESPONSES TO QUESTION 4 AND THE RESPONSES TO QUESTION 6.
02:16PM	12	Q. LET'S LOOK AT SOME SPECIFIC RESPONSES TO SEE IF WE'RE
02:16PM	13	TALKING ABOUT A HANDFUL.
02:16PM	14	IF YOU HAVE IN YOUR BINDER DX1314 AT TAB 10, THAT'S THE
02:16PM	15	PRINTOUT OF THE EXCEL DATA REGARDING A PARTICULAR RESPONDENT,
02:16PM	16	WHO IS NUMBER 77.
02:16PM	17	AND WE CAN HELP YOU. IF YOU LOOK AT THE TAB FOR DX TAB
02:16PM	18	10 OF 13 AND WE WILL PUT UP ON THE SCREEN DX1314 IS THE
02:16PM	19	EXHIBIT, AND TAB 10 IN YOUR BINDER.
02:16PM	20	DO YOU HAVE IT?
02:16PM	21	THE COURT: WHAT PAGE IS THAT ON?
02:16PM	22	MR. HANSEN: YOUR HONOR, IT IS
02:16PM	23	MR. LOWDON: YOUR HONOR, IT'S THE FINAL TAB IN THE
02:16PM	24	BINDER.
02:16PM	25	BY MR. HANSEN:

02:55PM	1	IT'S CONCEIVABLE, AS I SAID BEFORE, IF THIS IS ALL WE KNEW
02:55PM	2	ABOUT THE PERSON, COULD HE BE USING AN ERGATTA AT A GYM IN
02:55PM	3	ADDITION TO SUPERNATURAL? IT'S CONCEIVABLE.
02:55PM	4	Q. I'M NOT THERE YET.
02:55PM	5	THE FIRST QUESTION IS THIS IS AN ERGATTA AT THE TOP;
02:55PM	6	RIGHT?
02:55PM	7	A. YES.
02:55PM	8	Q. OKAY. WHEREVER IT MAY BE USED.
02:55PM	9	BUT MR. 77 DOESN'T JUST USE AN ERGATTA REGULARLY, HE ALSO
02:55PM	10	SAYS HE REGULARLY USES SOMETHING CALLED A HYDROW; ISN'T THAT
02:55PM	11	RIGHT?
02:55PM	12	A. I DON'T KNOW. IF HE'S ONE OF THE 21 WHO CHECKED ALL OF
02:55PM	13	THE BOXES, THEN, YES, HE SAID HE DID THAT AS WELL.
02:55PM	14	Q. DO YOU WANT TO CHECK THE DATA TO SEE IF I'M
02:55PM	15	MISREPRESENTING?
02:55PM	16	A. IF YOU'RE TELLING ME THAT HE CHECKED ALL OF THE BOXES,
02:55PM	17	I'LL BELIEVE YOU. THERE WERE 21. I KNOW THIS. THIS HAS BEEN
02:55PM	18	THE SUBJECT OF THE ENTIRETY OF MY DEPOSITION AND ONE OF YOUR
02:55PM	19	EXPERT REPORTS.
02:55PM	20	Q. LET'S SEE WHAT THAT LOOKS LIKE. THAT'S ANOTHER VERY LARGE
02:55PM	21	AND BULKY ROWING MACHINE THAT COSTS \$4,194, PLUS \$68 A MONTH;
02:56PM	22	CORRECT?
02:56PM	23	A. CORRECT.
02:56PM	24	Q. NOW, LET'S SEE IF WE CAN AGREE ON THIS. NO ONE REGULARLY
02:56PM	25	USES TWO DIFFERENT EXPENSIVE ROWING MACHINES EVERY MONTH, DO

02:56PM	1	THEY?
02:56PM	2	A. I CAN'T SAY THAT. WHAT IF YOU HAD ONE IN YOUR HOME AND
02:56PM	3	ONE IN A GYM? I JUST DON'T KNOW.
02:56PM	4	Q. DIDN'T YOU SAY AT YOUR DEPOSITION THAT YOU FOUND THIS,
02:56PM	5	QUOTE, FAIRLY IMPLAUSIBLE?
02:56PM	6	A. I DID FIND IT IMPLAUSIBLE, AND I DO CONTINUE TO FIND IT
02:56PM	7	IMPLAUSIBLE, THAT MR. 77, OR ANY OF THE RESPONDENTS WHO CHECKED
02:56PM	8	ALL OF THE BOXES, REGULARLY USE ALL OF THESE FITNESS PRODUCTS.
02:56PM	9	Q. WELL, THAT WASN'T MY QUESTION.
02:56PM	10	DO YOU THINK IT'S PLAUSIBLE THAT A SINGLE USER COULD
02:56PM	11	PURCHASE EXPENSIVE ROWING MACHINES OF TWO DIFFERENT TYPES THAT
02:56PM	12	THEY REGULARLY USE?
02:56PM	13	A. THAT'S NOT I DON'T KNOW. BUT THAT'S CERTAINLY NOT
02:56PM	14	IMPLICATED BY THE SURVEY QUESTION.
02:56PM	15	THE QUESTION IS USE. THEY DON'T SAY PURCHASE. IT JUST
02:56PM	16	SAYS, WHAT DO YOU REGULARLY USE?
02:57PM	17	IF YOU'RE AT A GYM, YOU COULD USE TENS OF THOUSANDS OF
02:57PM	18	DOLLARS WORTH OF EQUIPMENT THAT YOU DON'T PURCHASE.
02:57PM	19	Q. TAKE A LOOK AT YOUR DEPOSITION, PAGE 231, LINES 18 TO 21.
02:57PM	20	"QUESTION: DO YOU THINK IT'S PLAUSIBLE THAT A SINGLE USER
02:57PM	21	COULD PURCHASE EXPENSIVE ROWING MACHINES OF TWO DIFFERENT TYPES
02:57PM	22	THAT THEY REGULARLY USE?
02:57PM	23	"ANSWER: I'LL GRANT YOU IT'S FAIRLY IMPLAUSIBLE."
02:57PM	24	THAT WAS YOUR TESTIMONY; CORRECT?
02:57PM	25	A. IT STILL IS.

	-	
02:57PM	1	Q. IS NUMBER 77 ALONE WITH THIS FALSE ANSWER THAT HE USES TWO
02:57PM	2	DIFFERENT ROWING MACHINES REGULARLY EVERY MONTH?
02:57PM	3	A. I DON'T UNDERSTAND WHAT YOU MEAN BY "THIS FALSE ANSWER."
02:57PM	4	Q. THE ONE WE JUST WENT THROUGH WHERE HE SAID HE USES BOTH OF
02:57PM	5	THEM REGULARLY.
02:57PM	6	A. AGAIN, I'M NOT GOING TO I'M NOT IN A POSITION TO INFER
02:57PM	7	THAT HE'S FALSELY, INTENTIONALLY FALSELY GIVING US WRONG
02:57PM	8	ANSWERS.
02:57PM	9	IT'S CONCEIVABLE THAT HE'S MISINTERPRETED THIS QUESTION TO
02:57PM	10	MEAN WHICH ONES HAVE YOU USED IN THE PAST OR ASPIRE TO USE?
02:57PM	11	Q. OKAY. ARE YOU AWARE THAT 43, 43 OF YOUR 150 RESPONDENTS
02:58PM	12	CLICKED, CHECKED BOXES CLAIMING THEY REGULARLY USE BOTH OF
02:58PM	13	THESE EXPENSIVE ROWING MACHINES?
02:58PM	14	A. I'M NOT AWARE OF THAT.
02:58PM	15	Q. SO IF DR. DUBE COMES AND SAYS HE SEES THAT IN YOUR DATA,
02:58PM	16	YOU HAVE NO BASIS TO DISPUTE IT; RIGHT?
02:58PM	17	A. THE DATA SAY WHAT THEY SAY.
02:58PM	18	Q. ARE WE DONE WITH 77'S FALSE ANSWERS?
02:58PM	19	I'LL ANSWER MY OWN QUESTION.
02:58PM	20	LET'S TALK ABOUT SOMETHING CALLED AN ICAROS.
02:58PM	21	DO YOU KNOW WHAT THAT IS?
02:58PM	22	A. I DON'T KNOW SITTING HERE.
02:58PM	23	Q. DON'T YOU THINK IT WAS YOUR RESPONSIBILITY TO ACTUALLY
02:58PM	24	LOOK INTO THESE THINGS THAT YOUR RESPONDENTS WERE SAYING THAT
02:58PM	25	THEY USED?

02:58PM	1	A. NO. THIS IS A BACKGROUND QUESTION. IT WAS A SUBTLE WAY
02:58PM	2	OF A FIRST PASS OF WHO USES SUPERNATURAL, AND HAD WE ALLOWED
02:58PM	3	THIS KIND OF PERSON IN BASED SOLELY ON HIS ANSWERS TO Q4, I CAN
02:58PM	4	UNDERSTAND SOME AMOUNT OF SENSITIVITY.
02:58PM	5	BUT INSTEAD WE MAKE SOMEONE ATTEST ON FOUR SEPARATE
02:58PM	6	OCCASIONS THAT THEY'RE SUPERNATURAL USERS.
02:58PM	7	SO WHAT OTHER THINGS THEY SAID THEY WERE USING IN THE
02:59PM	8	BACKGROUND QUESTION IS OF MINIMAL INTEREST.
02:59PM	9	Q. LET'S SEE WHAT AN ICAROS LOOKS LIKE.
02:59PM	10	IT'S A BIZARRE LOOKING CONTRAPTION, ISN'T IT?
02:59PM	11	A. I'LL AGREE WITH YOU ON THAT. IT IS BIZARRE.
02:59PM	12	Q. DID YOU KNOW WHAT IT LOOKED LIKE BEFORE I SHOWED YOU THE
02:59PM	13	PICTURE?
02:59PM	14	A. I DON'T THINK I'VE SEEN ONE BEFORE.
02:59PM	15	Q. PRETTY RARE DEVICE, ISN'T IT?
02:59PM	16	A. I DON'T KNOW.
02:59PM	17	Q. DO YOU KNOW IF YOU COULD EVEN BUY THIS OUTSIDE OF EUROPE?
02:59PM	18	A. I DON'T KNOW. BUT I DON'T KNOW IF GYMS IN AMERICA HAVE
02:59PM	19	THEM.
02:59PM	20	Q. DO YOU KNOW IF IT'S PRICED IN EUROS IF YOU GO ONLINE TO
02:59PM	21	LOOK FOR IT?
02:59PM	22	A. NO, I DON'T KNOW.
02:59PM	23	Q. SO LET'S SEE HOW MANY OF YOUR RESPONDENTS SAY THEY OWN
02:59PM	24	THIS BIZARRE CONTRAPTION. IT'S 48 OUT OF THE 150, ISN'T IT?
02:59PM	25	A. I'M SORRY. YOU'RE MISREPRESENTING WHAT THE RESPONDENTS

02:59PM	1	SAY.
02:59PM	2	THE QUESTION WAS, WHAT DO YOU REGULARLY USE? YOU KEEP
02:59PM	3	CONVERTING IT TO OWN. I KNOW THAT MAKES IT BETTER FOR YOU.
02:59PM	4	BUT LET'S AT LEAST TRY TO HUG TO WHAT THE QUESTION WAS.
02:59PM	5	Q. DO YOU KNOW HOW MANY OF YOUR RESPONDENTS CHECKED THE BOX
03:00PM	6	SAYING THAT THEY REGULARLY USE THIS ICAROS CONTRAPTION?
03:00PM	7	A. NO, I DON'T.
03:00PM	8	Q. WOULD IT SURPRISE YOU THAT IT WAS 48 OUT OF 150, OR JUST
03:00PM	9	ABOUT A HAIR SHORT OF A THIRD?
03:00PM	10	A. NO.
03:00PM	11	Q. THERE IS NO WAY THAT A THIRD OF YOUR 150 RESPONDENTS
03:00PM	12	ACTUALLY REGULARLY USE THIS THING, IS THERE?
03:00PM	13	A. I WOULD TEND TO AGREE THAT SOMETHING IS SEEMINGLY
03:00PM	14	IRRATIONAL WITH THESE 21 RESPONDENTS WHO CHECKED ALL OF THE
03:00PM	15	SURVEY RESPONSES.
03:00PM	16	BUT AGAIN, YOU KNOW, THE QUESTION IS, WHAT DO WE DO IN
03:00PM	17	RESPONSE TO THAT? DO WE RUN AWAY FROM THE SURVEY?
03:00PM	18	Q. WITH ALL REQUEST, I'LL ASK THE QUESTIONS OR THE JUDGE WILL
03:00PM	19	ASK THE QUESTIONS. WILL YOU PLEASE ANSWER MINE?
03:00PM	20	A. SURE. I THOUGHT I WAS ANSWERING IT.
03:00PM	21	Q. NO. YOU'RE POSING QUESTIONS YOURSELF AND GIVING A SPEECH.
03:00PM	22	LET ME ASK ANOTHER QUESTION. WE'RE NOT TALKING ABOUT 21
03:00PM	23	PEOPLE HERE. WE'RE TALKING ABOUT 48 OUT OF 150 RESPONDENTS.
03:00PM	24	THERE IS NO WAY THAT 48 OUT OF YOUR 150 RESPONDENTS
03:00PM	25	REGULARLY USE THIS CONTRAPTION, IS THERE?

03:01PM	1	A. IT SEEMS IMPLAUSIBLE THAT 48 DO. BUT I CAN'T RULE OUT
03:01PM	2	THAT ANY ONE OF THEM USES IT, NO MATTER HOW REMOTE THE
03:01PM	3	CONTRAPTION IS.
03:01PM	4	Q. MR. 77 ALSO SAYS THAT HE USES SOMETHING CALLED
03:01PM	5	NIKE+ KINECT TRAINING; TRUE?
03:01PM	6	A. I DON'T KNOW BY MEMORY, BUT I'M GOING TO ASSUME THAT YOU
03:01PM	7	PICKED HIM BECAUSE HE DID ALL OF THE HE PICKED ALL OF THE
03:01PM	8	OPTIONS.
03:01PM	9	Q. I'M GOING TO ASK YOU ABOUT HIM BECAUSE HE PICKED THIS
03:01PM	10	PARTICULAR OPTION, WHICH IS WHAT I'M TELLING YOU ABOUT. IF YOU
03:01PM	11	WANT TO CHECK THE DATA, PLEASE TAKE A MINUTE AND DO SO.
03:01PM	12	DO YOU DISPUTE THAT MR. 77 CLICKED THE BOX SAYING THAT HE
03:01PM	13	REGULARLY USES NIKE+ KINECT TRAINING?
03:01PM	14	A. I DON'T KNOW WHAT 20 I DON'T KNOW WHAT MR. 77 SAID ON
03:01PM	15	THAT.
03:01PM	16	Q. WELL, DO YOU KNOW WHAT NIKE+ KINECT TRAINING IS?
03:01PM	17	A. I HAVE A I DON'T HAVE A VERY CONCRETE UNDERSTANDING OF
03:01PM	18	WHAT NIKE+ KINECT TRAINING IS.
03:01PM	19	Q. OKAY. LET'S TAKE A LOOK AT IT SO WE CAN GET YOU ORIENTED.
03:01PM	20	IT HAS THESE DIFFERENT PIECES.
03:02PM	21	THIS IS AN EASY ONE, ISN'T IT, BECAUSE MR. 77 CAN'T BE
03:02PM	22	REGULARLY USING THIS AT ALL BECAUSE MICROSOFT DISCONTINUED
03:02PM	23	NIKE+ KINECT IN 2017.
03:02PM	24	DO YOU KNOW THAT?
03:02PM	25	A. NO, I DON'T KNOW THAT.

03:02PM	1	Q. IT'S NOT POSSIBLE FOR PEOPLE TO BE USING A PRODUCT
03:02PM	2	DISCONTINUED FIVE YEARS AGO, ISN'T IT?
03:02PM	3	A. WE WOULDN'T HAVE PUT IT IN OUR LIST OF ALTERNATIVES IF IT
03:02PM	4	WAS UNAVAILABLE.
03:02PM	5	AND EVEN IF IT WERE REMOVED FROM THE MARKET, THAT WOULDN'T
03:02PM	6	REMOVE THE POSSIBILITY THAT IT WAS STILL IN SOMEONE'S HOME OR
03:02PM	7	SOMEONE'S GYM.
03:02PM	8	Q. 87, 87 OF YOUR 150 RESPONDENTS CLICKED ON THE BOX
03:02PM	9	ATTESTING THAT THEY REGULARLY USE THIS DISCONTINUED
03:02PM	10	NIKE+ KINECT FITNESS PRODUCT.
03:02PM	11	DO YOU KNOW THAT?
03:02PM	12	A. NO, I DON'T KNOW THAT.
03:02PM	13	Q. DO YOU HAVE ANY BASIS FOR DISPUTING DR. DUBE IF HE COMES
03:02PM	14	TO COURT AND SAYS THAT HE'S ACTUALLY READ YOUR DATA AND COMES
03:02PM	15	UP WITH THAT NUMBER?
03:02PM	16	A. I DON'T HAVE A BASIS TO DISPUTE, BUT THEY ARE WHAT THEY
03:03PM	17	ARE.
03:03PM	18	Q. 87 OF 150 RANDOMIZED SURVEYED RESPONDENTS SIMPLY CAN NOT
03:03PM	19	ALL BE REGULARLY USING A PRODUCT THAT HAS NOT BEEN SOLD FOR
03:03PM	20	FIVE YEARS, CAN THEY?
03:03PM	21	A. IF, IF WHAT YOU'RE SAYING IS TRUE, AND I HAVE NO
03:03PM	22	THERE'S NOTHING IN THE RECORD TO SUGGEST IT'S TRUE, I THINK
03:03PM	23	YOU'RE JUST OFFERING TESTIMONY BUT IF WHAT YOU'RE SAYING IS
03:03PM	24	TRUE, THEN IT BECOMES IMPLAUSIBLE, YES.
03:03PM	25	Q. SO BECAUSE WE DON'T HAVE ALL DAY, I'M GOING TO PAUSE HERE

03:03PM	1	BECAUSE WE'RE NOT GOING TO GET MR. 77 ALL OF THE WAY FIT, HE'S
03:03PM	2	NOW TOLD US THAT HE REGULARLY USES MORE THAN 10 OF THE 27
03:03PM	3	LISTED FITNESS PRODUCTS, CORRECT, AND WE HAVE GONE THROUGH TEN?
03:03PM	4	A. I DON'T KNOW IF WE'VE GONE THROUGH TEN, BUT SURE.
03:03PM	5	Q. OKAY. ACCEPT MY REPRESENTATION. I THINK WE'VE GONE
03:03PM	6	THROUGH TEN.
03:03PM	7	THERE'S LITERALLY NO WAY THAT NUMBER 77 COULD TRUTHFULLY
03:03PM	8	ANSWER THAT HE REGULARLY USES, REGULARLY USES ALL 10 OF 27
03:03PM	9	LISTED FITNESS PRODUCTS, IS THERE?
03:03PM	10	A. I THINK THAT THERE ARE GOING TO BE SOME FOLKS WHO, AT A
03:04PM	11	GYM, USE MULTIPLE PIECES OF EQUIPMENT, SO I CAN'T RULE OUT
03:04PM	12	IF THIS WAS JUST ONE PERSON, COULD I SAY WITH 100 PERCENT
03:04PM	13	CERTAINLY HE WAS WRONG? I COULDN'T DO THAT JUST BY CHECKING
03:04PM	14	TEN BOXES OF EQUIPMENT THAT COULD BE IN A GYM THAT HE WORKS OUT
03:04PM	15	IN.
03:04PM	16	Q. WELL, DO YOU KNOW HOW MANY PEOPLE IN YOUR SURVEY RESPONDED
03:04PM	17	THAT THEY REGULARLY USE TEN OF THE LISTED FITNESS APPS?
03:04PM	18	A. I DO NOT.
03:04PM	19	Q. WOULD IT SURPRISE THAT YOU 90, 9-0, OF YOUR 150
03:04PM	20	RESPONDENTS CLICKED ON TEN BOXES INDICATING REGULAR USE OF TEN
03:04PM	21	DIFFERENT FITNESS PRODUCTS?
03:04PM	22	A. NO, IT WOULDN'T SURPRISE ME.
03:04PM	23	Q. AND THOSE WOULD BE FALSE ANSWERS, WOULDN'T THEY?
03:04PM	24	A. I DON'T NECESSARILY JUMP TO FALSE ANSWERS. I CAN CONCEDE
03:04PM	25	THAT SOME ANSWERS ARE IMPLAUSIBLE, OR COULD BE THE RESULT OF

03:04PM	1	MISINTERPRETING THE QUESTION.
03:04PM	2	BUT I'M NOT GOING TO JUMP TO THE CONCLUSION THAT THESE 21
03:04PM	3	RESPONDENTS WHO CHECKED ALL OF THE BOXES ARE NECESSARILY LYING.
03:05PM	4	Q. SO, AGAIN, BECAUSE WE DON'T HAVE ALL DAY, I'M GOING TO
03:05PM	5	JUMP TO 19 FITNESS PRODUCTS, AND THERE'S A WHOLE BUNCH OTHERS
03:05PM	6	THAT WE CAN GO THROUGH, BUT MR. 77 DID IN FACT CHOOSE THAT HE
03:05PM	7	USED 19 FITNESS PRODUCTS; CORRECT?
03:05PM	8	A. I DON'T KNOW.
03:05PM	9	Q. WELL, IF YOU'LL ACCEPT MY REPRESENTATION ON THAT, OR CHECK
03:05PM	10	IT IF YOU WANT IN THE DATA, HE DID, AND THAT CAN'T POSSIBLY BE
03:05PM	11	TRUE, CAN IT?
03:05PM	12	A. IT'S SEEMINGLY IMPLAUSIBLE THAT SOMEONE WOULD GET UP TO 19
03:05PM	13	REGULARLY.
03:05PM	14	AND SO YOUR INTERPRETATION IS THAT HE'S A LIAR, AND THE
03:05PM	15	ALTERNATIVE EXPLANATION IS THAT HE WAS CONFUSED ABOUT THE
03:05PM	16	QUESTION.
03:05PM	17	Q. 36 I'LL ASK YOU, DO YOU KNOW HOW MANY OF YOUR
03:05PM	18	RESPONDENTS CLAIMED TO HAVE USED REGULARLY, EVERY MONTH, TEN
03:05PM	19	DIFFERENT FITNESS PRODUCTS?
03:05PM	20	A. I'VE SEEN THE NUMBER, I THINK WE WENT THROUGH THIS IN MY
03:05PM	21	DEPOSITION, BUT I DON'T KNOW WHAT THE NUMBER IS SITTING HERE.
03:05PM	22	Q. IT'S 36, ISN'T IT?
03:05PM	23	A. AT TEN OR MORE?
03:05PM	24	Q. TEN?
03:05PM	25	A. I DON'T BE IF THAT IS AN IMPLAUSIBLY A HIGH NUMBER. I

03:06PM	1	WOULD SAY WITHIN ANY GIVEN ONE PERSON, IT MIGHT SEEM
03:06PM	2	IMPLAUSIBLE. BUT YOU SAID, I'M SORRY, 34?
03:06PM	3	Q. 36 OUT OF 150 THAT USE TEN?
03:06PM	4	A. I'VE GOT IT. 36 OUT OF 150 SAID THAT THEY USE TEN
03:06PM	5	DIFFERENT?
03:06PM	6	I CAN'T SEE THAT THAT IS IMPOSSIBLE GIVEN THAT SOME OF OUR
03:06PM	7	RESPONDENTS COULD BE WORKING OUT AT GYMS, AND SO IF THEY ARE
03:06PM	8	WORKING OUT AT GYMS, THEY COULD BE ROTATING ACROSS MULTIPLE
03:06PM	9	PIECES OF EQUIPMENT.
03:06PM	10	Q. COME ON. YOU ALREADY TOLD US UNDER OATH THAT YOU KNEW
03:06PM	11	THIS WAS FAIRLY IMPLAUSIBLE, DIDN'T YOU?
03:06PM	12	A. DURING MY DEPOSITION, THE QUESTION STARTED AT ALL 27, AND
03:06PM	13	I CAN'T REMEMBER HOW MANY OPTIONS WE GAVE PEOPLE, AND I SAID
03:06PM	14	THAT THAT SEEMED IMPLAUSIBLE.
03:06PM	15	AND THEN THERE WAS A QUESTION ABOUT WHETHER OR NOT I
03:06PM	16	THOUGHT AT TEN IF IT'S IMPLAUSIBLE, AND I SAID AT TEN, I DON'T
03:06PM	17	KNOW. AT TEN THERE COULD BE CAN I FINISH THE QUESTION?
03:06PM	18	Q. NO, BECAUSE I ASKED YOU ABOUT 19. SO PLEASE ANSWER MY
03:07PM	19	QUESTION AND STOP WITH THE SPEECHES.
03:07PM	20	I'M ASKING YOU, 19
03:07PM	21	A. I WAS ANSWERING THE QUESTION.
03:07PM	22	THE COURT: I'M SORRY. LET'S DO WE NEED ANOTHER
03:07PM	23	BREAK?
03:07PM	24	MR. HANSEN: NO, YOUR HONOR. I'M FINE.
03:07PM	25	THE COURT: LET'S JUST RESET HERE.

03:07PM	1	MR. HANSEN: THANK YOU, YOUR HONOR.
03:07PM	2	THE COURT: WHY DON'T YOU JUST ASK YOUR QUESTION
03:07PM	3	AGAIN.
03:07PM	4	MR. HANSEN: THANK YOU, YOUR HONOR. I WILL.
03:07PM	5	Q. DR. SINGER, I'M ASKING YOU ABOUT 19 DIFFERENT FITNESS
03:07PM	6	PRODUCTS, NOT 21 AND NOT 10, AND I'M ASKING YOU WHETHER YOU
03:07PM	7	TESTIFIED UNDER OATH AT YOUR DEPOSITION THAT YOU BELIEVED
03:07PM	8	ANYONE WHO CHECKED 19 FITNESS APPS WAS IMPLAUSIBLE?
03:07PM	9	A. IF I SAID THAT AT MY DEPOSITION, AND I DO THINK THAT 19
03:07PM	10	REGULARLY USED FITNESS APPS IS SEEMINGLY HIGH AND IMPLAUSIBLE,
03:07PM	11	I'LL GRANT YOU THAT.
03:07PM	12	Q. IT'S FAIRLY IMPLAUSIBLE, ISN'T IT?
03:07PM	13	A. IT SEEMS LIKE AN AWFULLY HIGH NUMBER TO ME, BUT I'M NOT
03:07PM	14	REALLY IN A POSITION TO JUDGE SOMEONE AS BEING UNTRUTHFUL IN MY
03:07PM	15	CAPACITY AS AN ECONOMIST.
03:08PM	16	WHAT I'M GOING TO DO, AS I TOLD YOU, IS I'M GOING TO DO IT
03:08PM	17	BOTH WAYS. I'M GOING TO BRING EVERYONE IN, AND THEN UPON YOUR
03:08PM	18	CRITICISM, I'M GOING TO TAKE THE 21 OUT AND I'M GOING TO
03:08PM	19	RECALCULATE THE ACTUAL LOSS. THAT'S ALL I CAN DO.
03:08PM	20	Q. LOOK AT YOUR DEPOSITION, PLEASE, IT WILL BE ON THE SCREEN,
03:08PM	21	PAGE 280, LINES 2 TO 4.
03:08PM	22	"QUESTION: 19 FITNESS APPS. 19
03:08PM	23	"ANSWER: ANY FITNESS APPS? 19 REGULARLY IS A LOT. I
03:08PM	24	THINK THAT'S FAIRLY IMPLAUSIBLE."
03:08PM	25	WAS THAT YOUR TRUTHFUL TESTIMONY?

03:08PM	1	A. IT WAS, AND IT STILL IS.
03:08PM	2	Q. AND AS YOU'VE SAID SEVERAL TIMES, MR. 77 WENT ALL OF THE
03:08PM	3	WAY TO 27; RIGHT?
03:08PM	4	A. I ACTUALLY DON'T KNOW. I JUST ASSUMED THAT THAT'S WHY YOU
03:08PM	5	CHOSE HIM.
03:08PM	6	Q. WELL, IF HE DID, THAT WOULD MEAN HE SPENT SOMETHING LIKE
03:08PM	7	\$18,000 ON A HOME GYM IF HE BOUGHT THOSE THINGS, AND ALSO
03:08PM	8	SPENDS \$543 A MONTH ON SUBSCRIPTIONS; RIGHT?
03:08PM	9	A. NO, IT'S NOT. I THINK YOU MISINTERPRET THE QUESTION.
03:08PM	10	THE QUESTION IS, WHICH OF THESE DO YOU REGULARLY USE? IT
03:08PM	11	DOESN'T SAY WHICH ONES DO YOU OWN IN YOUR HOME?
03:09PM	12	Q. SO WILL YOU AGREE WITH ME AT LEAST, BEFORE WE LEAVE
03:09PM	13	MR. 77, THAT FOR ANYONE CLAIMING REGULAR USE OF ALL 27 OF YOUR
03:09PM	14	LISTED FITNESS PRODUCTS, THAT PERSON IS NOT TELLING THE TRUTH?
03:09PM	15	A. NO, THAT'S NOT THE INFERENCE. THERE ARE SEVERAL POTENTIAL
03:09PM	16	POSSIBILITIES.
03:09PM	17	ONE I KNOW THAT YOU LIKE IS THAT HE'S A LIAR, BUT THE
03:09PM	18	SECOND ONE IS THAT HE MISUNDERSTOOD THE QUESTION.
03:09PM	19	Q. IT'S NOT ONLY QUESTION 4 IN WHICH YOU GOT FALSE ANSWERS.
03:09PM	20	LET'S GO TO QUESTION 7. QUESTION 7 HAD FALSE ANSWERS TOO,
03:09PM	21	DIDN'T IT?
03:09PM	22	A. YOU'LL HAVE TO SHOW ME WHAT YOU THINK IS ANOTHER FALSE
03:09PM	23	ANSWER.
03:09PM	24	Q. HAPPY TO DO SO. LET'S LOOK AT WHAT QUESTION 7 ASKS OF
03:09PM	25	YOUR RESPONDENTS.

03:09PM	1	A. OKAY.
03:09PM	2	Q. YOU ASKED, "WHICH OF THE FOLLOWING VR OFFERINGS DO YOU
03:09PM	3	REGULARLY USE?"
03:09PM	4	SIMILAR TO QUESTION 4, ISN'T IT?
03:09PM	5	A. RIGHT. BUT THIS IS NARROWING THE LIST DOWN TO JUST VR.
03:09PM	6	Q. YOU SAY THIS IS JUST VR?
03:10PM	7	A. IT SAYS "WHICH OF THE FOLLOWING VR OFFERINGS."
03:10PM	8	Q. RIGHT. SO YOU WERE PROVIDED FOR THESE, ALL OF THESE VR
03:10PM	9	OFFERINGS ARE MADE AVAILABLE ON QUEST; CORRECT?
03:10PM	10	A. I DON'T THINK THAT'S RIGHT. I THINK THAT WE INCLUDED SOME
03:10PM	11	VR OFFERINGS THAT ARE ON QUEST, AS WELL AS OTHER VR PLATFORMS.
03:10PM	12	Q. BY THE WAY, THIS MORNING YOU TESTIFIED ABOUT THE NAME OF
03:10PM	13	THE DEVICE SOLD BY META. YOU CALLED IT AN OCULUS. IS THAT
03:10PM	14	CORRECT?
03:10PM	15	A. NO. OCULUS WAS THE HEADSET MANUFACTURER THAT META
03:10PM	16	ACQUIRED BACK IN 2014, BUT I REALIZE THEY MARKET THEIR PRODUCT
03:10PM	17	UNDER THE NAME QUEST, QUEST 2.
03:10PM	18	Q. THIS MORNING YOU CALLED IT AN OCULUS, DIDN'T YOU?
03:10PM	19	A. WELL, IN MY MIND IT IS MADE BY OCULUS, OR WAS MADE BY
03:10PM	20	OCULUS. WE'RE TALKING ABOUT THE SAME THING.
03:10PM	21	Q. OKAY. YOU WERE PROVIDED USAGE DATA FOR ALL OF THE LISTED
03:10PM	22	PRODUCTS ON QUEST; CORRECT?
03:10PM	23	A. I WAS.
03:10PM	24	Q. AND YOU SAY YOU ACTUALLY LOOKED AT THAT DATA; CORRECT?
03:10PM	25	A. I LOOKED AT IT, AS YOU KNOW, FOR MY HISTORIES, FOR MY

03:17PM	1	HAVE YOU HAD A CHANCE TO CHECK IT?
03:17PM	2	A. WELL, I'VE CHECKED IT IN THE SENSE THAT WE WENT THROUGH
03:17PM	3	THIS IN THE DEPOSITION AND A LOT OF IT TURNS ON YOUR
03:17PM	4	MISUNDERSTANDING, RESPECTFULLY, OF WHAT CONSTITUTES A FALSE
03:17PM	5	ANSWER, WHAT CONSTITUTES A CONTRADICTORY ANSWER.
03:17PM	6	SO I WOULDN'T AGREE OR STIPULATE TO ANY OF THE RESPONSES
03:17PM	7	HERE.
03:17PM	8	Q. WELL, SOME OF THESE ARE JUST SIMPLY FACTUAL. DO YOU
03:18PM	9	SEE OR DID YOU OR YOUR STAFF GO IN AND SEE ANY FACTUAL
03:18PM	10	INACCURACY IN ANY OF THESE LISTED MATTERS?
03:18PM	11	A. DO YOU WANT TO GO THROUGH THEM? I DIDN'T CHECK I DON'T
03:18PM	12	HAVE A WAY OF MAPPING AN IP ADDRESS INTO A STATE. I DON'T
03:18PM	13	THINK I HAVE THAT CAPABILITY. SO I DIDN'T CONFIRM THIS NUMBER.
03:18PM	14	Q. WELL, LET'S SEE IF YOU'RE RIGHT. LET'S GO THROUGH THEM
03:18PM	15	ONE BY ONE.
03:18PM	16	ISN'T IT TRUE, SIR, THAT 61 PERCENT, OR 91 OF YOUR 150
03:18PM	17	RESPONDENTS, SELECTED A STATE OF RESIDENCE THAT DOES NOT MATCH
03:18PM	18	THEIR IP ADDRESS STATE?
03:18PM	19	A. I DON'T KNOW.
03:18PM	20	Q. ISN'T IT TRUE THAT 36 OF YOUR 150 RESPONDENTS, OR
03:18PM	21	24 PERCENT, CLAIM TO REGULARLY USE BOTH MIRROR AND TONAL
03:18PM	22	DEVICES?
03:18PM	23	A. I DON'T KNOW. BUT IT DOESN'T MEAN THEY OWN BOTH, BUT THEY
03:18PM	24	COULD OWN BOTH OR THEY COULD BE USING THEM IN CLUBS.
03:19PM	25	I DON'T KNOW IF THAT ANSWER IS NECESSARILY IMPLAUSIBLE OR

03:19PM	1	MAKES THEM LIARS FOR SAYING THAT THEY USE BOTH.
03:19PM	2	Q. YOU KNOW, WITH ALL RESPECT, DR. SINGER, I'M SIMPLY ASKING
03:19PM	3	ABOUT THE FACTS, NOT CONCLUSIONS TO BE DRAWN FROM THE FACTS.
03:19PM	4	THIS IS A MATTER OF DATA; RIGHT?
03:19PM	5	A. WELL, NO, BECAUSE SOMETIMES YOU USE SOMETHING LIKE
03:19PM	6	IMPOSSIBLE COMBINATIONS. LIKE, YOU'RE ASSERTING YOUR
03:19PM	7	INTERPRETATION OF THE DATA.
03:19PM	8	Q. WELL, WE'RE NOT THERE YET.
03:19PM	9	A. OKAY.
03:19PM	10	Q. STICK WITH ME, OKAY?
03:19PM	11	ISN'T IT TRUE THAT 37 OF YOUR 150 RESPONDENTS CHECKED
03:19PM	12	BOXES CLAIMING REGULAR USE OF THREE CONNECTED FITNESS BIKES?
03:19PM	13	A. I DON'T KNOW IF THEY DID.
03:19PM	14	Q. ISN'T IT TRUE THAT 43 OF YOUR 150 SURVEY RESPONDENTS CLAIM
03:19PM	15	THAT THEY REGULARLY USE TWO CONNECTED ROWING MACHINES?
03:19PM	16	A. IT'S POSSIBLE THEY SAID THAT, AND IT'S ALSO POSSIBLE THAT
03:19PM	17	THEY'RE BEING TRUTHFUL IN THAT.
03:19PM	18	Q. ISN'T IT TRUE THAT 87 OF YOUR RESPONDENTS, OR 58 PERCENT,
03:20PM	19	CLAIMED REGULAR USE OF AT LEAST ONE DISCONTINUED PRODUCT?
03:20PM	20	A. I DON'T KNOW IF THAT'S TRUE BECAUSE I'M NOT SURE THAT
03:20PM	21	THAT'S A DISCONTINUED PRODUCT.
03:20PM	22	Q. ISN'T IT TRUE THAT 48 OF YOUR 150 SURVEY RESPONDENTS
03:20PM	23	CLAIMED REGULAR USE OF THE ICAROS CONNECTED FITNESS DEVICE THAT
03:20PM	24	IS SOLD IN EUROS?
03:20PM	25	A. I DON'T KNOW IF IT'S TRUE.

03:20PM	1	Q. ISN'T IT TRUE THAT 90, OR 60 PERCENT, OF YOUR RESPONDENTS
03:20PM	2	CLAIM REGULAR USE OF TEN OR MORE FITNESS PRODUCTS?
03:20PM	3	A. IT'S CONCEIVABLE THEY SAID THAT. IT'S ALSO CONCEIVABLE
03:20PM	4	THAT IT'S TRUE.
03:20PM	5	Q. ISN'T IT TRUE THAT 36 OF YOUR RESPONDENTS, OR 24 PERCENT,
03:20PM	6	CLAIMED REGULARLY USE OF 19 OR MORE FITNESS PRODUCTS?
03:20PM	7	A. I THINK WE WENT THROUGH THIS, AND IF THAT'S WHAT THE DATA
03:20PM	8	SHOW, THAT'S WHAT THE DATA SHOW.
03:20PM	9	Q. ISN'T IT TRUE THAT 21, AND YOU MENTIONED THIS NUMBER MANY
03:20PM	10	TIMES, 21, OR 14 PERCENT, OF YOUR SURVEY RESPONDENTS CLAIM
03:20PM	11	REGULAR USE OF ALL 27 LISTED PRODUCTS?
03:20PM	12	A. YES.
03:21PM	13	Q. ISN'T IT TRUE THAT 25, OR 17 PERCENT, OF YOUR RESPONDENTS
03:21PM	14	CLAIMED REGULAR USE OF ALL NINE VR DEDICATED FITNESS APPS?
03:21PM	15	A. I DON'T RECALL THAT, BUT IT'S POSSIBLE THAT 25 PERCENT
03:21PM	16	SAID YES.
03:21PM	17	Q. NOW, WE DIDN'T TALK ABOUT THIS ONE BECAUSE I DIDN'T WANT
03:21PM	18	TO TAKE THE FULL AFTERNOON, BUT IN YOUR QUESTION 6, 106 OF YOUR
03:21PM	19	RESPONDENTS CHECKED A BOX INDICATING THAT, HAVING PREVIOUSLY
03:21PM	20	SAID THEY USE SUPERNATURAL, THEY HAD STOPPED USING
03:21PM	21	SUPERNATURAL?
03:21PM	22	A. OKAY. THIS IS FALSE. YOU ARE MISREPRESENTING WHAT
03:21PM	23	QUESTION 6 SAID, AND YOU DID THIS IN THE DEPOSITION AS WELL.
03:21PM	24	THIS IS IMPORTANT, YOUR HONOR. I MEAN, THEY DIDN'T SAY
03:21PM	25	THAT THEY HAD STOPPED.

03:21PM	1	THE QUESTION 6 PULL UP QUESTION 6.
03:21PM	2	Q. WE'LL PUT THE QUESTION UP. WE'LL GET QUESTION 6 FROM YOUR
03:21PM	3	SURVEY.
03:21PM	4	YOU ASKED, "WHICH OF THE FOLLOWING FITNESS OFFERINGS HAVE
03:21PM	5	YOU CONSIDERED PURCHASING OR HAVE YOU USED IN THE PAST, BUT NO
03:21PM	6	LONGER USE?"
03:21PM	7	AND MR. 77, OUR SURVEY EXAMPLE, CHECKED THAT HE CONSIDERED
03:22PM	8	PURCHASING SUPERNATURAL OR NO LONGER USED SUPERNATURAL.
03:22PM	9	THAT CAN'T BE TRUE, CAN IT?
03:22PM	10	A. NO. YOU COULD CHECK THIS BOX AND THAT WOULD MEAN ONE OF
03:22PM	11	TWO THINGS, EITHER YOU'VE CONSIDERED PURCHASING SUPERNATURAL,
03:22PM	12	OR YOU'VE USED IN THE PAST, BUT NO LONGER USE IT.
03:22PM	13	Q. HE'S ALREADY PURCHASED IT, SO HE DOESN'T HAVE TO CONSIDER
03:22PM	14	PURCHASING IT, DOES HE?
03:22PM	15	A. IT IS CONSISTENT THAT SOMEONE COULD INTERPRET THE FIRST
03:22PM	16	HALF OF THAT QUESTION AS THAT HE HAD CONSIDERED IT AND HE HAS
03:22PM	17	USED IT.
03:22PM	18	THE FACT THAT SOMEONE CHECKS BOTH BOXES ON A PARTICULAR
03:22PM	19	APP IN Q4 AND 6 IS NOT NECESSARILY INCONSISTENT.
03:22PM	20	THE WAY YOU INTERPRET IT, OF COURSE, IS IN THE PAST. BUT
03:22PM	21	THAT IS ONE PART OF A TWO PART QUESTION. YOU COULD CHECK THE
03:22PM	22	BOX IF IT WAS EITHER OR.
03:22PM	23	Q. ARE YOU TELLING THIS COURT THAT YOUR PURPOSE IN WRITING
03:22PM	24	THIS QUESTION WAS TO GET PEOPLE TO RESPOND AS TO WHETHER THEY
03:22PM	25	USED SUPERNATURAL EVERY MONTH AND THEY ALSO CONSIDERED

PURCHASING SUPERNATURAL, WAS THAT YOUR INTENT IN THIS QUESTION? 1 03:23PM 2 NOT AT ALL. AND ALSO I GAVE THEM AN EITHER OR. IN FACT, 03:23PM WE TOOK THIS QUESTION FROM THE EC'S GUIDANCE. 3 03:23PM 03:23PM 4 BUT WE WANTED TO KNOW HAD YOU EVER CONSIDERED IT IN THE 5 PAST OR HAVE YOU ACTUALLY SUBSCRIBED AND THEN DISCONTINUED? 03:23PM AND THE FACT THAT SOMEONE CHECKS QUESTION 4, HE SAYS YES 03:23PM TO SUPERNATURAL, AND THEN HE ALSO CHECKS OF DOESN'T MEAN THAT 03:23PM HE'S CONTRADICTING HIMSELF. HE COULD HAVE CONSIDERED IT. 8 03:23PM LET'S GO BACK. 9 Q. 03:23PM 10 AND HE ALSO COULD BE A USER. Α. 03:23PM 11 LET'S GO BACK TO THE SUMMARY. 03:23PM Q. 03:23PM 12 ISN'T IT TRUE THAT 103 OF YOUR SURVEY RESPONDENTS REGULARLY USE OR CLAIM REGULAR USE OF THE IMPOSSIBLE 13 03:23PM COMBINATIONS OF VR APPS THAT WE WENT THROUGH IN YOUR TESTIMONY? 14 03:23PM 03:23PM 15 NO, I DON'T THINK THAT'S TRUE. I THINK THAT YOU ASSERT THAT THEY'RE IMPOSSIBLE BECAUSE 16 03:23PM 17 YOU ASSUME INCORRECTLY THAT THE QUESTION WAS JUST ON THE QUEST 03:23PM STORE. AND THE QUESTION WAS JUST BROADLY, WHICH ONE RUNS HAVE 18 03:24PM 03:24PM 19 YOU USED OR WHICH ONES DO YOU REGULARLY USE AMONG VR? 20 AND SO I DON'T THINK THAT ALL 103 OF THOSE WOULD BE 03:24PM 21 IMPOSSIBLE. 03:24PM 22 DO YOU HAVE ANY IDEA HOW MANY OF YOUR 150 RESPONDENTS GAVE 03:24PM 03:24PM 23 ANSWERS THAT WERE DEMONSTRABLY INCORRECT IF NOT OUTRIGHT FALSE? 03:24PM 24 A. NO, AND I THINK THIS IS A PLACE WHERE WE MIGHT 03:24PM 25 RESPECTIVELY DISAGREE.

03:24PM	1	WHEN SOMEONE CHECKS A BOX THAT ALL 21 OR ALL 27 OFFERINGS
03:24PM	2	ON Q4, I DON'T KNOW IF HE IS NECESSARILY BEING FALSE. I THINK
03:24PM	3	THAT IT'S POSSIBLE THAT HE MISUNDERSTOOD THE QUESTION.
03:24PM	4	IN ANY EVENT, I DON'T USE QUESTION 4 EXCEPT FOR ONE FILTER
03:24PM	5	ON SUPERNATURAL. AND IN ANY EVENT, AS I KEEP REPEATING, WHEN
03:24PM	6	WE REMOVE THESE 21 RESPONDENTS WHO CHECKED ALL THE BOXES, IT
03:24PM	7	DOESN'T CHANGE THE ACTUAL SHARE LOSS.
03:24PM	8	Q. YOU DIDN'T ACTUALLY GET 150 SUPERNATURAL SUBSCRIBERS, DID
03:25PM	9	YOU?
03:25PM	10	A. I THINK WE DID.
03:25PM	11	Q. YOUR DATA HAS A FIELD FOR EMAIL ADDRESSES, DOESN'T IT?
03:25PM	12	A. I BELIEVE SO. I ACTUALLY DON'T KNOW SITTING HERE.
03:25PM	13	Q. WELL, YOU NEVER ASKED FOR ANYBODY'S EMAIL ADDRESS AS YOU
03:25PM	14	LOOKED AT THESE WHAT YOU CALL DATA
03:25PM	15	A. I ACTUALLY THINK IT WOULD BE A VIOLATION OF SOMEONE'S
03:25PM	16	PRIVACY IF THEY'RE TAKING A SURVEY, FOR US TO GO ASK THEM OR
03:25PM	17	THE PANEL PROVIDER WHAT THEIR EMAIL WAS SO WE COULD CONTACT
03:25PM	18	THEM.
03:25PM	19	I FEEL LIKE WHEN SOMEONE RESPONDS TO A SURVEY, IT'S
03:25PM	20	IMPLICIT THAT THIS IS ANONYMOUS AND THEIR DATA ISN'T GOING TO
03:25PM	21	BE USED AGAINST THEM.
03:25PM	22	Q. AFTER THESE QUESTIONS AROSE ABOUT THE LEGITIMACY OF YOUR
03:25PM	23	DATA, YOU NEVER REQUESTED EMAIL ADDRESSES TO CHECK, DID YOU?
03:25PM	24	A. I DON'T THINK THERE WERE I DON'T THINK ANYTHING ROSE TO
03:25PM	25	THE LEVEL OF THE LEGITIMACY OF THE DATA. AND EVEN IF I DID, I

03:25PM	1	DON'T THINK IT WOULD BE APPROPRIATE TO CONTACT SURVEY
03:25PM	2	RESPONDENTS.
03:25PM	3	Q. SO THE ANSWER IS THAT YOU DIDN'T ASK FOR THAT INFORMATION?
03:25PM	4	A. CORRECT.
03:25PM	5	Q. BUT YOU'RE AWARE THAT WE SUBPOENAED THAT INFORMATION;
03:26PM	6	CORRECT?
03:26PM	7	A. I LEARNED, I THINK THIS MORNING, THAT YOU HAVE SUBPOENAED
03:26PM	8	EMAIL ADDRESSES FROM ONE OF THE PANEL PROVIDERS.
03:26PM	9	Q. AND WE ACTUALLY GOT SIX EMAIL ADDRESSES FROM A PLACE
03:26PM	10	CALLED DYNETICS; RIGHT?
03:26PM	11	A. THAT'S WHAT YOUR DECLARATION SEEMS TO ASSERT, YES.
03:26PM	12	Q. WELL, IT'S DYNETICS DECLARATION, ISN'T IT?
03:26PM	13	A. I'VE SEEN THE EMAIL CORRESPONDENCE BETWEEN KELLOGG AND
03:26PM	14	THESE WITNESSES, AND I RECOGNIZE THAT THEY WERE FED CERTAIN
03:26PM	15	LINES, YES.
03:26PM	16	Q. DYNETICS EXECUTED UNDER PENALTY OF PERJURY A SWORN
03:26PM	17	DECLARATION; CORRECT?
03:26PM	18	A. YES.
03:26PM	19	Q. ARE YOU CALLING THEM LIARS, TOO?
03:26PM	20	A. I DIDN'T CALL ANYONE A LIAR.
03:26PM	21	Q. ARE THEY NOT THE GOLD STANDARD?
03:26PM	22	A. I NEVER SAID THAT A PARTICULAR PANEL PROVIDER CHOSEN BY
03:26PM	23	QUALTRICS IS A GOLD STANDARD, BUT I STAND BY THE NOTION THAT
03:26PM	24	QUALTRICS IS THE BEST YOU CAN DO IN SURVEYS.
03:26PM	25	IF WE CAN'T USE QUALTRICS, WE'RE IN TROUBLE.

1 A SMALL LINE. 03:38PM 2 IT SAYS, YES, LITEBOXER VR WILL BE FREE TO USER WITH 03:38PM EXISTING LITEBOXER ALL-ACCESS MEMBERSHIPS. 3 03:39PM 03:39PM 4 AND TO KIND OF WRAP UP, THERE WERE QUESTIONS THAT YOU WERE ASKED ABOUT THE SURVEY WHERE YOU COULD NOT FINISH YOUR ANSWER. 03:39PM WHAT ELSE DID YOU INTEND TO SAY WHEN YOU WERE NOT ALLOWED 03:39PM TO FINISH YOUR ANSWER ON CROSS-EXAMINATION? 03:39PM I THINK I EVENTUALLY WAS ABLE TO SAY WHAT I WANTED TO SAY, 8 03:39PM WHICH IS THAT THE DISPUTE SEEMS TO BE OVER 21 WHO SELECTED ALL 9 03:39PM 10 APPS ON A BACKGROUND QUESTION. 03:39PM 11 AND THE IMPORTANT TAKEAWAY IS THAT THE LITERATURE TELLS 03:39PM 03:39PM 12 YOU NOT TO THROW THEM OUT. WE GET SEEMINGLY IMPLAUSIBLE ANSWERS IN EVERY ONE WE DO. 03:39PM 13 IN THE JUUL CASE WE HAD PEOPLE WHO SEEMED TO SHOW AN 14 03:39PM 15 AFFINITY FOR MORE ADDICTION THAN LESS, 15 PERCENT, AND IT JUST 03:39PM 16 HAPPENS. 03:39PM 17 THE QUESTION WE ARE ALWAYS GRAPPLING WITH IS DOES THAT 03:39PM 18 SEEMINGLY INCONCEIVABLE OR IRRATIONAL RESPONSES CAUSE US TO 03:40PM 03:40PM 19 WANT TO THROW THEM OUT? OF COURSE I'M SURE META WOULD SAY 20 THROW OUT THE ENTIRE SURVEY, BUT THAT'S PRETTY MUCH OFF THE 03:40PM 21 BOARD. 03:40PM 22 BUT WHAT WE ARE TRYING TO FIGURE OUT IS WHAT DO YOU DO 03:40PM 03:40PM 23 WITH THESE SEEMINGLY IRRATIONAL RESPONSES? AND MY POINT IS 03:40PM 24 THAT THE BEST PRACTICE IN THE LITERATURE IS TO KEEP THEM IN. 25 MCFADDEN, WHO WON A NOBEL PRIZE AND WHO HAS WRITTEN THE 03:40PM

03:40PM	1	BIBLE ON HOW TO DO SURVEYS, SUGGESTS THAT THE DEFAULT SHOULD BE
03:40PM	2	LEAVE THEM IN, BUT THERE ARE PEOPLE IN THE WORLD WHO ARE A
03:40PM	3	LITTLE WEIRD. BUT IN THE ALTERNATIVE THE MOST AGGRESSIVE
03:40PM	4	INVENTION HERE WOULD BE TO THROW THEM OUT.
03:40PM	5	TO ME, OF ALL OF THE ATTACKS THAT HAVE COME, THE ONE THAT
03:40PM	6	I THINK HAS THE MOST CREDIBILITY IS ON THESE 21 RESPONDENTS WHO
03:40PM	7	CHECKED ALL, AND SAY AS AN ALTERNATIVE AS A SENSITIVITY TEST,
03:41PM	8	WHY DON'T WE JUST REMOVE THEM AND JUST GO BACK AND RECALCULATE
03:41PM	9	THE ACTUAL LOSS. AND IT TURNS OUT THE ACTUAL LOSS BARELY
03:41PM	10	MOVES.
03:41PM	11	IN OTHER WORDS, SOMEONE'S PROPENSITY TO CHECK ALL BOXES
03:41PM	12	THERE FOR WHATEVER REASON, THEY'RE LIARS AS META'S LAWYERS
03:41PM	13	THINK OR THEY ARE WERE CONFUSED BY THE QUESTION, FOR
03:41PM	14	WHATEVER REASON, THAT PROPENSITY TO CHECK ALL BOXES WAS NOT
03:41PM	15	CORRELATED AT ALL WITH THE PROPENSITY TO MOVE AWAY OR RESPOND
03:41PM	16	TO A PRICE INCREASE.
03:41PM	17	AT THE END OF THE DAY, WE'RE JUST INTERESTED IN HOW
03:41PM	18	SUPERNATURAL CUSTOMERS RESPOND TO A PRICE INCREASE, RIGHT? AND
03:41PM	19	WOULD ENOUGH OF THEM DEFECT IN ORDER TO RENDER THE PRICE
03:41PM	20	INCREASE UNPROFITABLE?
03:41PM	21	IT'S MY OPINION THAT THE BEST PRACTICE IS TO LEAVE THEM IN
03:41PM	22	HOWEVER SEEMINGLY IRRATIONAL THEY MIGHT LOOK, BUT EVEN IF WE
03:41PM	23	TAKE THEM OUT, THE ACTUAL SHARE BARELY MOVES UP AND NOT BY
03:41PM	24	ENOUGH TO OVERTAKE THE CRITICAL SHARE LOSS.
03:41PM	25	THE COURT: SO THE CRITICISM OF THE REPORT, AND

03:42PM	1	MR. HANSEN IS POINTING OUT SOMETHING THAT I THINK YOU
03:42PM	2	ULTIMATELY AGREED WITH, IS IT'S UNUSUAL, TO DESCRIBE IT SOFTLY,
03:42PM	3	THAT SOMEONE WOULD HAVE ALL OF THESE DIFFERENT FITNESS DEVICES
03:42PM	4	OR HAVE ACCESS TO THEM AND USE THEM ALL.
03:42PM	5	YOU KNOW, THIS 77, I'D LIKE TO SEE THIS INDIVIDUAL. HE'S
03:42PM	6	INCREDIBLY FIT BUT IMPLAUSIBLE, I THINK, THAT MR. HANSEN POINTS
03:42PM	7	OUT, IT'S HIGHLY UNLIKELY.
03:42PM	8	THE WITNESS: AND I AGREE. I AGREE.
03:42PM	9	THE COURT: AND YOU ATTRIBUTE THAT TO IN YOUR
03:42PM	10	BUSINESS IT IS COMMON THAT INDIVIDUALS WILL CHECK EACH BOX IN
03:42PM	11	THE HOPES THAT THAT WILL GET THEM THE \$15, THE \$20, WHATEVER IT
03:42PM	12	IS, THEY MIGHT HAVE THAT DESIRE.
03:42PM	13	THE WITNESS: THAT COULD HAVE BEEN AN EXPLANATION,
03:42PM	14	YES, FOR HOW THEY GOT THERE. THAT COULD HAVE BEEN.
03:42PM	15	THEY COULD HAVE BEEN CONFUSED ABOUT THE QUESTION. THEY
03:42PM	16	COULD HAVE BEEN LIARS. THERE ARE ALL SORTS OF STORIES YOU CAN
03:42PM	17	TELL, YES.
03:42PM	18	THE COURT: ALL OF THOSE THINGS.
03:43PM	19	AND WHAT I HEAR YOU SAYING IS THAT THERE ARE 21 OF THOSE,
03:43PM	20	WE SHOULD KEEP THEM IN FOR BETTER ANALYSIS, BUT IF I TAKE THEM
03:43PM	21	OUT, I CAN DO ANOTHER ANALYSIS, AND IT DOESN'T DISTURB THE
03:43PM	22	FINDINGS.
03:43PM	23	THE WITNESS: EXACTLY. THE SAME ANALYSIS. WE JUST
03:43PM	24	RECALCULATE THE ACTUAL LOSS BUT NOW WITH A SMALLER DENOMINATOR.
03:43PM	25	THE COURT: AND MY QUESTION IS WHAT IF I JUST TOOK

03:43PM	1	THAT QUESTION OUT OF YOUR SURVEY, WOULD THE VALIDITY OF YOUR
03:43PM	2	SURVEY, THE INTEGRITY OF IT BE DISTURBED IN ANY WAY?
03:43PM	3	THE WITNESS: NO, AND HERE'S WHY. IT WAS THE FIRST
03:43PM	4	TIME THAT WE ALLOWED SOMEONE TO ATTEST TO BEING A SUPERNATURAL
03:43PM	5	USER, BUT WE DID IT OVER AND OVER THROUGHOUT THE SURVEY.
03:43PM	6	WE DIDN'T GET TO SHOW YOU ALL OF THE QUESTIONS, BUT ONE OF
03:43PM	7	THE QUESTIONS WAS HOW DO YOU SUBSCRIBE TO SUPERNATURAL? ARE
03:43PM	8	YOU A MONTHLY SUBSCRIBER? ARE YOU ANNUAL SUBSCRIBER? OR DO
03:43PM	9	YOU NOT SUBSCRIBE AT ALL?
03:43PM	10	SO IF SOMEONE MISTAKENLY JUST CHECKED ALL OF THE BOXES AND
03:43PM	11	THEN THEY GOT TO THAT QUESTION, THEY'D HAVE AN OPPORTUNITY TO
03:43PM	12	SAY, WHOOPS, I SHOULDN'T BE IN THE SURVEY ANY LONGER, NOT AT
03:44PM	13	ALL. AND WE DID IT OVER AND OVER. WE DID FOUR TIMES TO DO A
03:44PM	14	TEST.
03:44PM	15	AT THE END OF THE DAY, IF SOMEONE TELLS ME THAT THEY'RE A
03:44PM	16	SUPERNATURAL SUBSCRIBER AND THEY TEST WITH FOUR TIMES, I JUST
03:44PM	17	HAVE TO ASSUME THAT THEY'RE TELLING THE TRUTH. AND I FEEL LIKE
03:44PM	18	THAT'S THE BEST THAT WE CAN DO IN SURVEY WORK.
03:44PM	19	THE COURT: AND WHAT ELEMENT, WHAT FACTOR DOES THIS
03:44PM	20	PART OF YOUR SURVEY GO TO AS FAR AS YOUR ANTITRUST CLAIM, IF
03:44PM	21	YOU CAN TELL ME THAT.
03:44PM	22	THE WITNESS: YEAH. SO WHAT DOES THE SURVEY REACH?
03:44PM	23	THE COURT: YES.
03:44PM	24	THE WITNESS: REMEMBER, WITHIN MARKET DEFINITION I
03:44PM	25	DO A QUALITATIVE ANALYSIS AND A QUANTITATIVE, AND WITHIN THE

QUANTITATIVE WE DO THIS HYPOTHETICAL MONOPOLY TEST. WE CAN'T 1 03:44PM LOOK AT TRANSACTION DATA GIVEN THE LACK OF PRICE VARIATION. SO 2 03:44PM THE ONLY WAY THAT WE CAN JUDGE PRICE SENSITIVITY OR 3 03:44PM 03:44PM 4 SUPERNATURAL USERS IS TO GO OUT AND FIND SUPERNATURAL USERS AND 5 ASK HOW THEY RESPOND. 03:44PM WE WENT WITH THE NUMBER ONE SURVEY FIRM. 6 03:44PM THE COURT: I UNDERSTAND. 03:44PM MY NEXT QUESTION IS -- I'M JUST GOING THROUGH THIS TO FIND 8 03:44PM OUT WHAT THE IMPORTANCE OF THIS IS TO YOUR ANALYSIS. AND NOW 9 03:44PM 10 -- ALL RIGHT. IF THAT'S WHAT THIS IS DESIGNED TO DO, WHAT IF 03:45PM 11 WE THROW IT OUT BECAUSE OF THE CRITICISMS OF MR. HANSEN? IF HE 03:45PM 03:45PM 12 SAYS, JUDGE, YOU CAN'T CONSIDER THIS BECAUSE IT'S JUST INSECURE, THE INTEGRITY FOR ALL OF THESE DIFFERENT LEVELS, 13 03:45PM DON'T CONSIDER IT. WHAT DOES IT DO THEN TO THAT FINDING, THAT 14 03:45PM 15 FACT? 03:45PM THE WITNESS: OH, WELL WITH RESPECT TO MY 16 03:45PM 17 QUANTITATIVE FINDING, I RELY ON THE SURVEY ANALYSIS TO GET THE 03:45PM 18 ACTUAL LOSS. 03:45PM 03:45PM 19 THE QUALITATIVE ANALYSIS WHICH I THINK IS PART 1A IS NOT 20 THE BROWN SHOE FACTORS DOES NOT TURN IN ANY WAY ON, OF COURSE, 03:45PM 21 THE SSNIP TEST OR THE SURVEY. 03:45PM 22 I DO THINK IT WOULD BE PRETTY HARSH TO THROW OUT THE 03:45PM 23 ENTIRETY OF THE SURVEY. I THINK THE REMEDY IF YOU'RE GOING TO 03:45PM 24 INTERVENE AT ALL HERE IS TO ELIMINATE THOSE 21 WHO SAID THAT 03:45PM 25 THEY DO EVERYTHING. 03:45PM

03:45PM	1	THE COURT: OKAY. THANK YOU. ANY QUESTIONS BASED
03:45PM	2	ON MY QUESTIONS?
03:45PM	3	MR. ELMORE: NO, YOUR HONOR. THANK YOU.
03:45PM	4	THE COURT: THANK YOU.
03:45PM	5	MR. HANSEN: JUST ONE, YOUR HONOR.
03:45PM	6	RECROSS-EXAMINATION
03:45PM	7	BY MR. HANSEN:
03:46PM	8	Q. JUST ONE QUESTION.
03:46PM	9	DR. SINGER, WE WENT THROUGH ALL OF THESE IMPLAUSIBLE AND
03:46PM	10	YOU HAD ANSWERED THE JUDGE'S QUESTION, IMPLAUSIBLE RESPONSES.
03:46PM	11	IS WHAT YOU'RE TELLING US AT THE END OF THE DAY IS THAT
03:46PM	12	EVERY ONE OF YOUR SURVEY RESPONDENTS CAN LIE TO YOU ABOUT SOME
03:46PM	13	QUESTIONS AND AS LONG AS THEY GIVE YOU THE ANSWER THAT YOU WANT
03:46PM	14	ABOUT A HYPOTHETICAL QUESTION IN TERMS OF WHAT THEY WOULD DO IN
03:46PM	15	RESPONSE TO A NON-ACTUAL ONE DOLLAR PRICE INCREASE, THAT'S
03:46PM	16	GOING TO BE VALID INFORMATION?
03:46PM	17	A. I DON'T EVEN KNOW WHERE TO BEGIN WITH THAT, BUT THERE'S SO
03:46PM	18	MANY PROBLEMS WITH THE QUESTION.
03:46PM	19	I DON'T THINK THAT PEOPLE ARE LYING TO ME. I TOLD YOU
03:46PM	20	THAT WITH RESPECT TO QUESTION 4 THERE ARE SEVERAL DIFFERENT
03:46PM	21	STORIES THAT ONE COULD TELL, ONE OF WHICH IS THAT THEY
03:46PM	22	MISUNDERSTOOD.
03:46PM	23	BUT AT THE END OF THE DAY, QUESTION 4 DOESN'T INFORM THE
03:46PM	24	ANSWER TO THE KEY QUESTION THAT I'M INTERESTED IN WHICH IS THE
03:46PM	25	PRICE SENSITIVITY IN RESPONSE TO A PRICE INCREASE. IT'S NOT A

1	
2	
3	CERTIFICATE OF REPORTERS
4	·
5	
6	
7	WE, THE UNDERSIGNED OFFICIAL COURT REPORTERS OF THE
8	UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF
9	CALIFORNIA, 280 SOUTH FIRST STREET, SAN JOSE, CALIFORNIA, DO
10	HEREBY CERTIFY:
11	THAT THE FOREGOING TRANSCRIPT, CERTIFICATE INCLUSIVE, IS
12	A CORRECT TRANSCRIPT FROM THE RECORD OF PROCEEDINGS IN THE
13	ABOVE-ENTITLED MATTER.
14	Orene Rodriguez
15	Chara Linear And
16	IRENE RODRIGUEZ, CSR, CRR CERTIFICATE NUMBER 8076
17	
18	Spe-Am Shorting
19	LEE-ANNE SHORTRIDGE, CSR, CRR CERTIFICATE NUMBER 9595
20	CEIVIII NOIBEN 3333
21	DATED: DECEMBER 13, 2022
22	
23	
24	
25	
	1

Exhibit C

Submitted In Camera

PUBLIC

Exhibit D



DECLARATION

Pursuant to 28 U.S.C. § 1746, Rachael McChrystal hereby declares as follows:

- I am over twenty-one years old, mentally competent, and have personal knowledge
 of the facts contained herein.
- 2. I am making this declaration to provide context and explain the background and circumstances of the survey project completed by our customer, Econ One, whereby the customer used the Qualtrics platform to conduct a survey, with an internal reference name qual-73546670-0912-vrfitness.
- Econ One used the Qualtrics platform to conduct a survey in October to November
 2022. Econ One currently uses Qualtrics' Core XM product to conduct surveys.
- 4. Qualtrics typically requests the following from customers who want to leverage panel services: a detailed description of target audience, desired sample size, expected survey length, any applicable quotas, and all screening criteria. These attributes are solely determined by the customer. We received the following instructions from Econ One: 500 responses required from individuals who have played the game Supernatural; survey length 10-12 minutes to complete.
- 5. Qualtrics does not maintain its own panels of survey respondents but instead subcontracts these services to third parties to fulfil customer requests. For hard-to-reach groups, Qualtrics may use niche panels brought about through specialized recruitment campaigns.
- 6. Qualtrics engaged three panel firms to conduct Econ One's survey: Cint (also known as Lucid/Federated), Dynata, and Torfac (formerly WiseWorks Canada Inc.). While Qualtrics considers these panel firms to be reputable, we do not consider these panel firms to be niche. A

customer using the Qualtrics platform can add screening questions to ensure only those individuals intended to respond to the survey actually complete it.

- 7. The Qualtrics platform enables customers to collect the IP address information being used by survey respondents. An IP address is not a location identifier itself, the estimated location is inferred via a third-party database that attempts to track physical location of IP addresses. IP addresses can be modified by the respondent by using various methods/devices such as VPNs, IP diverters etc. so IP addresses are determined using best-efforts.
- 8. Qualtrics offers a Captcha question option within the platform. Econ One will need to advise as to whether this was used for this survey and for all respondents.
- 9. Qualtrics provides guidance regarding survey design to help ensure sample quality is high, however the survey design is ultimately the customer's responsibility.
- 10. The customer determines which questions are presented with randomised answer options. With a randomizer in your survey flow, you can randomly present question blocks, embedded data, and other survey flow elements to your respondents. Econ One will need to advise on whether a randomiser was used, and if so, for which survey elements, and for which respondents, etc. Where a randomizer is not used, the survey will be presented in the same manner to all respondents.
- 11. Qualtrics offers a product called ExpertReview. This is a digital reviewer that helps a customer collect high-quality data. It measures the data quality of the survey elements (questions, logic, quotas, etc.), recommends how users can improve those elements and provides documentation for research-based explanations on these recommendations, and predicts the

quality of the data that will be collected. Econ One will need to advise Meta if this was used as part of the survey setup.

- 12. In addition to ExpertReview, Qualtrics offers other survey options for fraud detection. These are options that the customer must select. For example, one option is Prevent Multiple Submissions (formerly Prevent Ballot Box Stuffing) that prevents multiple submissions from a single person. To the best of Qualtrics' knowledge, this option was selected by Econ One when conducting the applicable survey.
- 13. Another fraud-detection option provided by Qualtrics is Bot Detection that can be used to indicate whether a response is more likely to be a bot or a human. To the best of Qualtrics' knowledge, this option was selected by Econ One. It may appear that this wasn't used for certain responses i.e. showing a blank field, for a number of reasons. There are certain requirements for Recpatcha and Relevant ID (see below) scores to be recorded. Firstly, the respondent must have their browser open for long enough for the relevant scripts to run. Secondly, the browser must not block the relevant script, for example, an ad blocker or firewall could interfere with loading and/or running the scripts. Finally, slower devices or wifi connections may have issues with the script loading time.
- 14. A third fraud-detection option is RelevantID, which improves fraud detection by assessing respondent metadata to determine the likelihood that the same respondent is answering multiple times. When this feature is enabled, the RelevantIDDuplicate field is marked "true". To the best of Qualtrics' knowledge, this option was selected by Econ One when conducting the applicable survey.

15. The customer using the Qualtrics platform is responsible for reviewing data quality

and can use the tools available within the Qualtrics platform to assist with this.

16. Within seven days of survey completion using Qualtrics Research Services i.e.,

panel services, customers have the opportunity to review the results and come back to the Qualtrics

team to request responses that need to be replaced due to quality issues. To the best of Qualtrics'

knowledge, Econ One did not do so here.

17. Qualtrics is not aware of how many survey invitations were issued by each panel

provider.

18. To the best of Qualtrics' knowledge, nineteen (19) responses were passed from

Dynata.

18. In the response data, respondents with data in the columns "rid" or "RISN" are

sourced from Lucid; respondents with data in column "PID" are sourced from Dynata; and

respondents with data in column "wspid" are source from Torfac.

I declare under penalty of perjury under the laws of the United States of America that the

foregoing is true and correct.

Executed on this 12th day of December, 2022.

—Docusigned by: Kachael McClurystal

— D21EF8D5F1CA44D.

Rachael McChrystal

Exhibit E

Submitted In Camera