UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

UNITED STATES OF AMERICA, PLAINTIFF, V. MICROSOFT CORPORATION, DEFENDANT.	C.A. NO. 98-1232
STATE OF NEW YORK, ET AL., PLAINTIFFS, V. MICROSOFT CORPORATION, DEFENDANT.	C.A. NO. 98-1223
MICROSOFT CORPORATION, COUNTERCLAIM-PLAINTIFF, V. DENNIS C. VACCO, ET AL., COUNTERCLAIM-DEFENDANTS.	JANUARY 13, 1999 WASHINGTON, D.C.

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TRANSCRIBED DEPOSITION EXCERPTS

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PENGAD-Bayonne, N. J.
GOVERNMENT EXHIBIT
1463

1 (DEPOSITION EXCERPTS OF STEVEN L. VON RUMP.)
2 Q. WAS MCI INTERESTED IN BEING IN THE
3 INTERNET CONNECTION WIZARD?
4 A. CERTAINLY, VERY MUCH SO.
5 Q. WHY WAS MCI VERY INTERESTED IN BEING IN
6 THE INTERNET CONNECTION WIZARD?
7 A. WINDOWS 95, AT THE TIME, NOW
8 WINDOWS 98, IS A VERY POPULAR OPERATING SYSTEM,
9 SOMETHING THAT MANY USERS HAVE AND INSTALL. AND
10 THEREFORE, IT REPRESENTED ACCESS TO A POTENTIAL
11 LARGE MARKET FOR MCI FOR POTENTIAL MCI INTERNET
12 SUBSCRIBERS.
13 Q. WHAT WAS IT THAT MADE YOU THINK THAT
14 BEING IN THE INTERNET CONNECTION WIZARD WOULD
15 GIVE YOU ACCESS TO A LARGE NUMBER OF POTENTIAL
16 CUSTOMERS?
17 A. I WOULD CATEGORIZE IT AS TWO THINGS.
18 ONE, THE FACT THAT MANY OF THOSE USERS CAME TO
19 THAT SITE BY SORT OF FOLLOWING THE NATURAL
20 DIRECTION OF WINDOWS 95, BEING POINTED TO THAT
21 SITE; AND SECONDLY, JUST GENERAL MICROSOFT BRAND
22 AWARENESS IN THE INDUSTRY.
23 Q. DURING THE COURSE OF NEGOTIATIONS
24 BETWEEN MCI AND MICROSOFT FOR THE AGREEMENTS THAT
25 HAVE BEEN INTRODUCED, DID ANYONE FROM MICROSOFT

1 EVER TELL MCI WHAT THE ADVANTAGES OF BEING IN THE
2 INTERNET CONNECTION WIZARD WERE?
3 A. CERTAINLY.
4 Q. WHAT DID THEY SAY?
5 A. ESSENTIALLY, THE SAME THING, THAT IT
6 WAS--ESSENTIALLY THE SAME ANSWER THAT I PROVIDED
7 BEFORE, MY OWN ASSESSMENT OF THE ADVANTAGES, THAT
8 IT WAS A SITE THAT WOULD BE WELL KNOWN TO USERS
9 AND ONE THAT WOULD BE EASY TO NAVIGATE TO IN THE
10 COURSE OF INSTALLING OR USING WINDOWS 95.
11 Q. DID ANYONE FROM MICROSOFT EVER TELL MCI
12 THAT BEING IN THE INTERNET CONNECTION WIZARD
13 WOULD BE VALUABLE BECAUSE THE INTERNET CONNECTION
14 WIZARD WOULD SHIP WITH EVERY COPY OF WINDOWS 95?
15 A. YES.
16 Q. DO YOU REMEMBER WHO TOLD YOU THAT?
17 A. NOT SPECIFICALLY, NO.
18 Q. DOES THE WIZARD REFERRAL AGREEMENT
19 REQUIRE MCI TO DISTRIBUTE THE INTERNET EXPLORER
20 BROWSER WITH ITS FULFILLMENT PACK UNLESS THE
21 CUSTOMER SPECIFICALLY REQUESTS A DIFFERENT
22 BROWSER?
23 A. YES, THAT'S A REQUIREMENT OF ADDENDUM
24 D.
25 Q. UNDER THE WIZARD REFERRAL AGREEMENT, IS

1 MCI ALLOWED TO PROVIDE A NON-MICROSOFT BROWSER IN
2 ANY CIRCUMSTANCES WHERE THE CUSTOMER DOESN'T
3 REQUEST IT?
4 A. NO, I DON'T THINK SO.
5 Q. UNDER THE WIZARD REFERRAL AGREEMENT, IS
6 MCI EVEN ALLOWED TO TELL CUSTOMERS THAT THE
7 NETSCAPE NAVIGATOR BROWSER IS AVAILABLE FOR USE
8 WITH MCI'S ISP SERVICE?
9 MR. FESSEL: OBJECTION TO FORM.
10 THE WITNESS: COULD YOU RESTATE THE
11 QUESTION, PLEASE?
12 Q. SURE.
13 UNDER THE WIZARD REFERRAL AGREEMENT, IS
14 MCI ALLOWED TO TELL CUSTOMERS THAT THE NETSCAPE
15 NAVIGATOR BROWSER IS AVAILABLE FOR USE WITH MCI'S
16 ISP SERVICE?
17 A. NO, IN THE AGREEMENT--
18 MR. FESSEL: OBJECTION TO FORM.
19 THE WITNESS: IN THE AGREEMENT, WE'RE
20 NOT ALLOWED TO STATE OR IMPLY THAT ANY OTHER
21 BROWSER IS AVAILABLE.
22 (EXCERPT.)
23 Q. DOES THE WIZARD REFERRAL AGREEMENT
24 BETWEEN MCI AND MICROSOFT REQUIRE MCI TO INCLUDE
25 THE INTERNET EXPLORER LOGO ON THE HOME PAGE FOR

1 MCI'S ISP SERVICE?

2 MR. FESSEL: OBJECTION TO FORM.

3 THE WITNESS: YES, IT DOES.

4 Q. DOES MCI, IN FACT, INCLUDE THE INTERNET

5 EXPLORER LOGO ON ITS HOME PAGE?

6 A. YES.

7 Q. DOES THE MICROSOFT AND MCI WIZARD

8 REFERRAL AGREEMENT PROHIBIT MCI FROM PLACING A

9 NETSCAPE NAVIGATOR LOGO ON ITS WEB PAGE?

10 A. YES, IT DOES.

11 MR. FESSEL: OBJECTION TO FORM.

12 THE WITNESS: YES, IT DOES.

13 Q. DOES MCI PLACE A NETSCAPE NAVIGATOR

14 LOGO ON ITS WEB PAGE?

15 A. NO, WE DO NOT.

16 Q. DOES THE MICROSOFT/MCI WIZARD REFERRAL

17 AGREEMENT REQUIRE MCI TO PLACE A LINK ON ITS HOME

18 PAGE THAT WILL TAKE A USER TO A WEB PAGE WHERE

19 THE USER CAN DOWNLOAD THE INTERNET EXPLORER

20 BROWSER?

21 A. YES, IT DOES.

22 Q. DOES MCI, IN FACT, PLACE A LINK ON ITS

23 HOME PAGE THAT WILL TAKE A USER TO A WEB PAGE

24 WHERE THE USER CAN DOWNLOAD THE INTERNET EXPLORER

25 BROWSER?

1 A. YES.

2 Q. DOES THE MICROSOFT/MCI WIZARD REFERRAL

3 AGREEMENT PROHIBIT MCI FROM PLACING A LINK ON ITS

4 HOME PAGE THAT WILL TAKE A USER TO A WEB PAGE

5 WHERE THE USER CAN DOWNLOAD THE NETSCAPE

6 NAVIGATOR BROWSER?

7 MR. FESSEL: OBJECTION TO FORM.

8 THE WITNESS: YES.

9 Q. DOES MCI HAVE A LINK ON ITS HOME PAGE

10 THAT WILL TAKE A USER TO A WEB PAGE WHERE THE

11 USER CAN DOWNLOAD THE NETSCAPE NAVIGATOR BROWSER?

12 A. NO.

13 Q. DO MCI'S AGREEMENTS WITH MICROSOFT

14 OBLIGATE MCI TO PROMOTE THE INTERNET EXPLORER

15 BROWSER AS THE BROWSER RECOMMENDED FOR USE BY

16 MCI'S ISP CUSTOMERS?

17 MR. FESSEL: OBJECTION TO FORM.

18 THE WITNESS: YES, IT DOES.

19 Q. DOES THE MCI/MICROSOFT WIZARD REFERRAL

20 AGREEMENT PROHIBIT MCI FROM TAKING PAID

21 ADVERTISEMENT FOR THE NETSCAPE NAVIGATOR BROWSER?

22 A. YES, IT DOES.

23 Q. DOES THE MICROSOFT/MCI WIZARD REFERRAL

24 AGREEMENT PROHIBIT MCI FROM PROMOTING THE

25 NETSCAPE NAVIGATOR BROWSER?

1 A. YES.

2 Q. DOES MCI PROMOTE OR ADVERTISE NETSCAPE

3 NAVIGATOR IN ANY WAY?

4 A. NO.

5 Q. DOES MCI COMPLY WITH ALL THE

6 CONTRACTUAL OBLIGATIONS AND RESTRICTIONS

7 RESULTING FROM THE MICROSOFT/MCI CONNECTION

8 WIZARD AGREEMENT?

9 MR. FESSEL: OBJECTION TO FORM.

10 THE WITNESS: TO MY KNOWLEDGE, YES.

11 Q. WHEN MCI WAS NEGOTIATING THE AGREEMENTS

12 WITH MICROSOFT, DID MCI ATTEMPT TO NEGOTIATE LESS

13 STRINGENT RESTRICTIONS ON MCI'S ABILITY TO

14 PROMOTE AND DISTRIBUTE BROWSERS OTHER THAN THE

15 INTERNET EXPLORER BROWSER?

16 MR. FESSEL: OBJECTION TO FORM.

17 THE WITNESS: YES, WE DID ATTEMPT TO

18 NEGOTIATE.

19 Q. WHY DID MCI ATTEMPT TO NEGOTIATE LESS

20 STRINGENT RESTRICTIONS ON ITS ABILITY TO PROMOTE

21 AND DISTRIBUTE BROWSERS OTHER THAN THE INTERNET

22 EXPLORER BROWSER?

23 A. NETSCAPE NAVIGATOR WAS AND IS TODAY A

24 POPULAR CHOICE OF BROWSER FOR USERS, AND THE

25 ABILITY TO DISTRIBUTE THAT, IN ADDITION TO THE

1 MICROSOFT BROWSER, WOULD GIVE US MORE FLEXIBILITY
2 IN THE MARKETPLACE.
3 Q. DO YOU BELIEVE THAT THERE ARE SOME
4 POTENTIAL MCI ISP CUSTOMERS WHO WOULD PREFER TO
5 USE A BROWSER OTHER THAN INTERNET EXPLORER?
6 A. YES. AND, IN FACT, THEY DO.
7 (EXCERPT.)
8 Q. MR. VON RUMP, WOULD YOU LOOK AT
9 GOVERNMENT EXHIBIT 693, WHICH IS ADDENDUM D.
10 A. YES.
11 Q. IS IT YOUR UNDERSTANDING THAT IN
12 ADDITION TO THE OBLIGATIONS THAT THIS AGREEMENT
13 IMPOSED ON MCI, IT ALSO IMPOSED OBLIGATIONS ON
14 MICROSOFT?
15 A. YES, THAT'S CORRECT.
16 Q. AS AN EXAMPLE, IT OBLIGATED MICROSOFT
17 TO DEVELOP AN INTERNET CONNECTION WIZARD?
18 A. CORRECT.
19 Q. AND TO DEVELOP AND MAINTAIN A REFERRAL
20 SERVER?
21 A. CORRECT.
22 Q. AND I BELIEVE YOU TESTIFIED THAT THIS
23 AGREEMENT DID NOT, IN ANY WAY, PROHIBIT MCI FROM
24 DISTRIBUTING NAVIGATOR OR ANY OTHER BROWSER TO A
25 CUSTOMER THAT ASKED FOR IT?

1 A. THAT'S CORRECT.

2 Q. AND HAVE CUSTOMERS ASKED FOR NAVIGATOR?

3 A. OCCASIONALLY, YES.

4 Q. AND HAVE THEY GOTTEN IT?

5 A. YES.

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