FILED

15 OCT 16 PM 1:46

KING COUNTY
SUPERIOR COURT CLERK

E-FILED

The Honogable Sean Q4Donnello SEA Motions Noted: 6/2/15 and 6/8/15

Oral Argument Requested

1

2

3

5

6

7

8

10

11

12

13

14

15

16

17

18

19

20.

21

2223

24

25

26

SUPERIOR COURT OF WASHINGTON FOR KING COUNTY

MOVE, INC., a Delaware corporation, REALSELECT, INC., a Delaware corporation, TOP PRODUCER SYSTEMS COMPANY, a British Columbia unlimited liability company, NATIONAL ASSOCIATION OF REALTORS®, an Illinois non-profit corporation, and REALTORS® INFORMATION NETWORK, INC., an Illinois corporation,

Plaintiffs,

v.

ZILLOW, INC., a Washington corporation, and ERROL SAMUELSON, an individual, CURT BEARDSLEY, an individual, and DOES 1-20,

Defendants.

Case No. 14-2-07669-0 SEA

DECLARATION OF CLEMENS H. BARNES

PUBLIC REDACTED VERSION

I, Clemens H. Barnes, state and declare as follows:

1. I am one of the attorneys for Defendant Errol Samuelson, and make the following statements based on personal knowledge and participation in the above-captioned lawsuit.

DECLARATION OF CLEMENS H. BARNES - 1

MILLER NASH GRAHAM & DUNN LLP
ATTORNEYS AT LAW
T: 206.624.8300 | F: 206.340.9599
PIER 70
2801 ALASKAN WAY, SUITE 300
SEATTLE, WASHINGTON 98121

2. Attached as **Exhibit A** hereto is a true and correct copy of excerpts from the transcript of the deposition of Chris Crocker, taken May 27, 2015, which I personally attended as counsel for Errol Samuelson.

I declare under penalty of perjury under the laws of the state of Washington that the foregoing is true and correct.

Signed at Seattle, Washington this 1st day of June, 2015.

Clemens H. Barnes

DECLARATION OF SERVICE

The undersigned declares: on the 1st day of June, 2015, a copy of the foregoing document was served on the parties' counsel, via email, at the addresses set forth below.

| 4 | Jeffrey A. Atteberry | David J. Burman |
|----|---|--------------------------------|
| | Brent Caslin | Ulrike B. Connelly |
| 5 | Amy M. Gallegos | Susan E. Foster |
| | Ethan A. Glickstein | Katherine G. Galipeau |
| 6 | John S. Lee | Mary P. Gaston |
| _ | Jennifer Wagman Njathi | Judith B. Jennison |
| 7 | Daniel A. Rozansky | Joseph McMillan |
| | Nick G. Saros | Kathleen M. O'Sullivan |
| 8 | David R. Singer | David A. Perez |
| _ | Richard Lee Stone | PERKINS COIE, LLP |
| 9 | AnnaMarie Van Hoesen | 1201 Third Ave Ste 4900 |
| 10 | JENNER & BLOCK LLP | Seattle, WA 98101-3099 |
| 10 | 633 W Fifth St Ste 3600 | dburman@perkinscoie.co |
| 11 | Los Angeles, CA 90071 | uconnelly@perkinscoie.co |
| 11 | jattteberry@jenner.com | sfoster@perkinscoie.com |
| 12 | bcaslin@jenner.com | kgalipeau@perkinscoie.co |
| 12 | agallegos@jenner.com | mgaston@perkinscoie.coi |
| 13 | eglickstein@jenner.com | jjennison@perkinscoie.co |
| 15 | islee@jenner.com | <u>imcmillan@perkinscoie.c</u> |
| 14 | jnjathi@jenner.com | kosullivan@perkinscoie.c |
| | drozansky@jenner.com | dperez@perkinscoie.com |
| 15 | nsaros@jenner.com dsinger@jenner.com | Counsel for Defendant Zi |
| | rstone@jenner.com | |
| 16 | avanhoesen@jenner.com | |
| | Counsel for Plaintiffs | |
| 17 | | |
| | Lawrence R. Cock | Duffy Groham |

9 om com <u>com</u> <u>m(</u> <u>om</u> com com illow

Lawrence R. Cock Jack M. Lovejoy CABLE, LANGENBACH, KINERK & BAUER, LLP 1000 Second Avenue Bldg. Ste 3500 Seattle, WA 98104-1048 LRC@cablelang.com ilovejoy@cablelang.com Counsel for Plaintiffs

Duffy Graham James P. Savitt Ryan Solomon Michele Stephen SAVITT BRUCE & WILLEY, LLP 1425 Fourth Ave Ste 800 Seattle, WA 98101-2272 dgraham@sbwllp.com jsavitt@sbwllp.com rsolomon@sbwllp.com mstephen@sbwllp.com Counsel for Defendant Beardsley

I declare under penalty of perjury under the laws of the state of Washington that the foregoing is true and correct.

26

18

19

20

21

22

23

24

25

1

2

Signed at Seattle, Washington this 1st day of June, 2015. Connie Hays Legal Assistant

DECLARATION OF CLEMENS H. BARNES - 4

MILLER NASH GRAHAM & DUNN LLP
ATTORNEYS AT LAW
T: 206.624.8300 | F: 206.340.9599
PIER 70
2801 ALASKAN WAY, SUITE 300
SEATTLE, WASHINGTON 98121

EXHIBIT A

Public Redacted Version

| 1 | IN THE SUPERIOR COURT FOR THE STATE OF WASHINGTON |
|----|--|
| 2 | FOR THE COUNTY OF KING |
| 3 | |
| 4 | MOVE, INC., a Delaware) corporation, REALSELECT, INC.,) |
| 5 | a Delaware corporation, TOP) PRODUCER SYSTEMS COMPANY, a) |
| 6 | British Columbia unlimited) liability company, et al., |
| 7 | Plaintiffs,) |
| 8 | vs.) 14-2-07669-0 SEA |
| 9 | ZILLOW, INC., a Washington) |
| 10 | corporation, and ERROL SAMUELSON) an individual, and CURTIS) |
| 11 | BEARDSLEY, an individual, and DOES) 1-20,) |
| 12 | Defendants. |
| 13 | , , , , , , , , , , , , , , , , , , , |
| 14 | VIDEOTAPED DEPOSITION UPON ORAL EXAMINATION |
| 15 | OF |
| 16 | CHRIS CROCKER |
| 17 | **** AWAITING CONFIDENTIAL DESIGNATIONS ***** |
| 18 | |
| 19 | Taken at 1000 Second Avenue, Suite 3500 |
| 20 | , |
| 21 | Seattle, Washington |
| 22 | |
| 23 | |
| 24 | DATE TAKEN: May 27, 2015 |
| 25 | REPORTED BY: KATHLEEN HAMILTON, RPR, CRR, CCR 1917 |
| | |

 Ψ

1

2

3

4

5

6

7

8

9

10

11

12

13

14

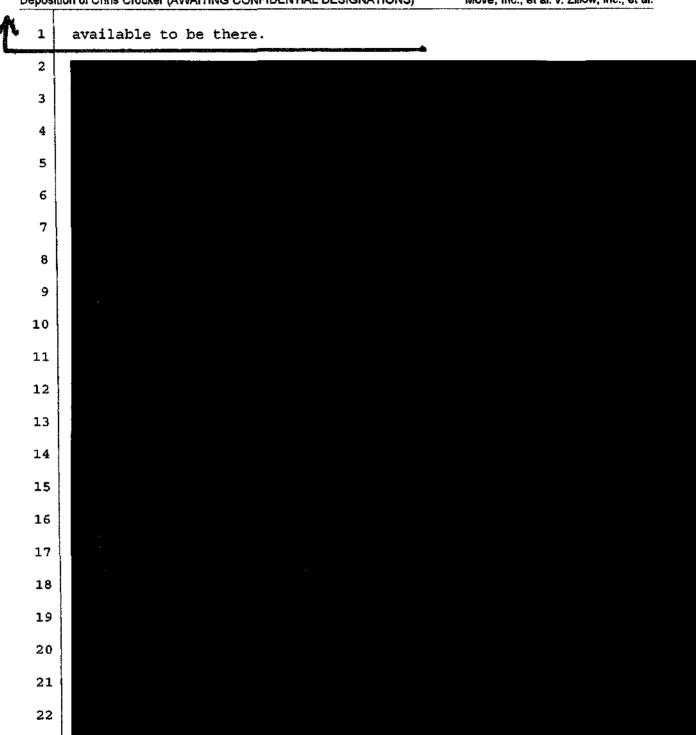
15

16

17

21

- Q. "Curt booked private meeting rooms at a hotel near the conference." You see that?
 - A. I do.
 - Q. How do you know that to be true?
- A. The person who booked the rooms is sitting to my right.
- O. Who was that?
- A. I don't recall if it was Jessica or Molly, because I don't remember exactly the timeline of when they left, but one of the two of them.
- Q. And a little bit further down you say that, "Errol was present at most of those meetings."
- A. Yes. I recall -- actually, let me rephrase, state the last one. It was Jessica, because I recall a conversation afterwards of Jessica telling me that she was arranging him -- for him to be at those meetings.
- Q. And who are those meetings with?
- 18 A. I don't know.
- 19 Q. You just know they were meetings at the conference?
- 20 A. Correct.
 - Q. How do you know that Errol was present at the meetings?
- A. I don't know if he was present at the meetings. I
 know that his assistant was scheduling arrangements and trying
 to work out logistics of making sure that he was going to be



24

| 1 | |
|----|--|
| 2 | |
| 3 | |
| 4 | |
| 5 | |
| 6 | |
| 7 | |
| 8 | |
| 9 | |
| 10 | |

- Q. Did you ever confront Mr. Beardsley about any of this?
- A. I did not.

12

13

15

16

17

18

19

20

21

22

23

24

25

Q. Is there a reason why you didn't confront

Mr. Beardsley about any of this?

- A. No, I think the proper answer to your question was shortly after the two of them arrived, I knew my days were numbered at Zillow, and that I would be replaced in short order. I had -- was expecting it to happen faster than it happened. So there was really no benefit or upside for anybody in creating controversy or fighting something that I realized was going to be inevitable.
- Q. Why'd you think your days were numbered after they arrived?
- A. Well, twofold. One, you -- there was a lot of money being spent on quote, "industry relations," if you will. You

know, none of us were inexpensive employees, and there's a lot of duplication and overlap.

So in their -- you know, I can't speculate on the negotiations that happened to take them away from Move. I just know that one day they showed up, and they're paying a lot more for them than they were paying for me to do essentially a similar job.

know, in an era of cost savings that our CEO is delivering to Wall Street, as he was routinely telling Wall Street we were going to save a hundred million dollars in the transaction, there would be a lot of head count reductions as a result of that. And wherever you have overlap, it's pretty obvious you're going to have head count reductions, especially in the people who are expensive.

When you have an expensive salary, you have big antlers and you stick out. So I had an expensive salary, and their salaries, I assume, were higher than mine. There's overlap. It's only a matter of time until one of them goes. I think it would have happened sooner, but Errol was on injunction, so I had usefulness while he was on the bench.



| 1 | | | | |
|---|--|--|-------------|--|
| 2 | | | | |
| 3 | | | | |

Y

5

6

7

8

9

10

11

12

14

15

16

17

18

19

20

21

22

23

24

- Q. Now, one of the allegations that you made here was that Mr. Samuelson had violated the preliminary injunction here by having certain meetings at Inman; is that right?
- A. Yes.
 - Q. Were you at Inman?
- A. I was not.
 - Q. Earlier I think we read where you had testified in your declaration that this letter was all made on personal knowledge?
- 13 A. Yes.
 - Q. And in here you say, "Errol was in NYC working when he wasn't supposed to be." What's your basis for that statement?
 - A. Overhearing his administrative assistant booking travel for him and appointments for him in that city.
 - Q. So it was your understanding that merely by being at Inman he was in violation of the preliminary injunction?
 - A. Well, I was under the impression he wasn't to be working on anything that had to do with industry relation matters or data at all, and that meant interacting with all of our clients. And I mean, as it is referred to me, his restrictions were so severe, he was literally left to be doing nothing.

| į | | | | | | | | | | | | |
|----|---|--------------|---------------------|---------|-------|------|----------|------|-------|-------|------|--|
| 1 | | | | | | | | | | | | |
| 2 | | | | | | | | | | | | |
| 3 | | | | | | | | | | | | |
| 4 | | | | | | | | | | | | |
| 5 | | | | | | | | | | | | |
| ļ | | | | | | | | | | | | |
| 6 | | | | | | | | | | | | |
| 7 | | | | | | | | | | | | |
| 8 | | | | | | | | | | | | |
| 9 | | | | | | | | | | | | |
| 10 | | | | | | | | | | | | |
| ļ | | | | | | | | | | | | |
| 11 | | | | | | | | | | | | |
| 12 | | | | | | | | | | | | |
| 13 | | | | | | | | | | | | |
| 14 | | | | | | | | | | | | |
| 15 | | | | | | | | | | | | |
| 16 | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| 17 | | | | | | | | | | | | |
| 18 | | | | | | | | | | | | |
| 19 | | n karakaran. | 1211211511115121212 | | | | | | | | | |
| 20 | 0 | So. | Mr. | Crocker | prior | to m | ak i nor | +hia | allam | ation | that | |

- 20
 - 21
 - 23
 - 24
 - 25
- Q. So, Mr. Crocker, prior to making this allegation that he was in violation of the preliminary injunction, did you take any efforts to check the court record or do anything to determine what actually Mr. Samuelson was prevented from doing?
 - A. I did not.
 - Q. Earlier you'd indicated that sending this letter was

| 1 | the right thing to do; is that right? |
|----|--|
| 2 | A. That's what I believed. |
| 3 | Q. If it was the right thing to do, don't you think that |
| 4 | it would have merited some due diligence to see if the |
| 5 | allegations you're making in this letter are actually true and |
| 6 | correct? |
| 7 | MR. SINGER: Objection. Form. |
| В | (Whereupon, Mr. Caulfield |
| 9 | joins the proceedings.) |
| 10 | THE WITNESS: I wrote the letter of my personal |
| 11 | beliefs and experiences solely. |
| 12 | BY MS. FOSTER: |
| 13 | Q. Did you understand that by writing these this |
| 14 | letter and making these accusations that you may impact to |
| 15 | other individuals, Mr. Beardsley and Mr. Samuelson? |
| 16 | A. Sure. And I believe if they've done no wrongdoing, |
| 17 | there will be no harm as a result of it. But if they're been |
| 18 | doing wrongdoing, they deserve to have this exposed. |
| 19 | Q. But you didn't feel the need to do any due diligence |
| 20 | to determine the truth or falsity of the allegation that they |
| 21 | were in violation of preliminary injunction? |
| 22 | A. I don't have to do due diligence on my experiences. I |
| 23 | don't know how to answer that. |
| 24 | |

had no information that would lead you to believe that

Mr. Samuelson had ever used Move's confidential information

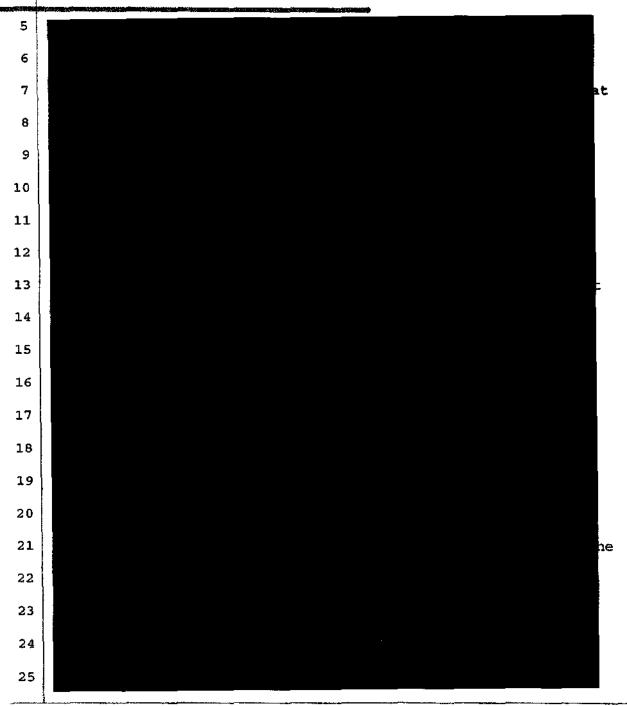
while at Zillow?

2

3

4

A. That is accurate.



```
1
2
                                                                    time
3
                                                                    disk
4
5
    BY MS. FOSTER:
6
```



10

11

12

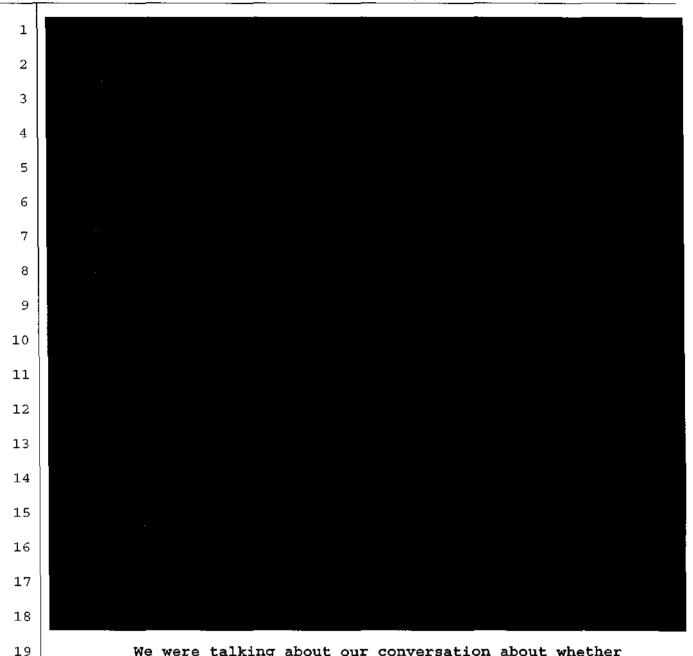
14

15

16

17

- Mr. Crocker, during 2014 you were in charge of the industry relations group for both MLS's and brokerages; is that right?
- A. Yes.
 - And is it fair to say that listing acquisition was a Q. top priority in 2013 and 2014?
- 13 Α. Yes.
 - And didn't Zillow have a program called zPro that had been launched in 2012 for acquiring listings?
 - Yes, it had been morphed over the years, but yes.
 - Q. And that offered free benefits to brokers who would provide direct feeds?
- 19 Α. Correct.
- 20 And was there a similar program to obtain direct feeds 21 from MLS's?
- 22 A. Yes.
- And that was the Zillow Partnership Program? 23
- 24 Α. Yes.
- 25 And that was launched about the same time?



We were talking about our conversation about whether you had told me that Mr. Samuelson had -- that you had no information that Mr. Samuelson had used or disclosed confidential Move information.

Do you recall that?

A. I do.

20

21

22

23

24

25

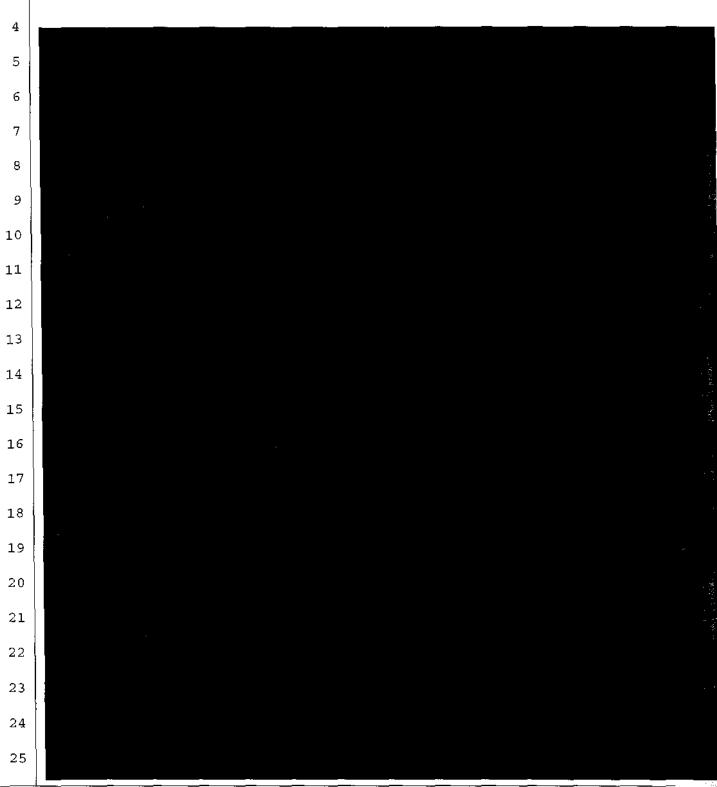
Q. As you sit here today, are you aware of any

information that indicate that Mr. Samuelson used or disclosed confidential Move information?

Α. I am not.

1

2



206 287 9066

BUELL REALTIME REPORTING, LLC

| 1 | CERTIFICATE |
|----|---|
| 2 | |
| 3 | STATE OF WASHINGTON |
| 4 | COUNTY OF KING |
| 5 | |
| 6 | I, Kathleen Hamilton, a Certified Shorthand Reporter and |
| 7 | Notary Public in and for the State of Washington, do hereby |
| 8 | certify that the foregoing transcript of the deposition of |
| 9 | CHRIS CROCKER, having been duly sworn, on MAY 27, 2015, is true |
| 10 | and accurate to the best of my knowledge, skill and ability. |
| 11 | IN WITNESS WHEREOF, I have hereunto set my hand and seal |
| 12 | this 29TH day of MAY, 2015. |
| 13 | |
| 14 | |
| 15 | |
| 16 | KATHLEEN HAMILTON, RPR, CRR, CCR |
| 17 | |
| 18 | |
| 19 | |
| 20 | |
| 21 | |
| 22 | |
| 23 | |
| 24 | |
| 25 | |