# EXHIBIT E



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## **VIA ELECTRONIC MAIL**

Douglas E. Mirell, Esq. Harder Mirell & Abrams LLP 1925 Century Park East, Suite 800 Los Angeles, CA 90067

> Re: Bollea v. Clem, Gawker Media, LLC, et al., No. 12012447-CI-011

Dear Doug:

This letter responds to yours of July 25, 2014 regarding various discovery responses by Gawker Media, LLC ("Gawker"). We address each of the issues you raised in turn.

### I. Gawker Has Fully Complied with the February 26, 2014 Order.

Your letter asserts, without any basis, that Gawker has failed to answer Request for Production ("RFP") Nos. 89, 90, 92 and 93, and that in so doing that Gawker has violated the Court's February 26, 2014 order. That contention is incorrect. Gawker has fully complied with the Court's order. The inference you seek to draw – that testimony about Blogwire Hungary Szellemi Alkotást Hasznosító, KFT ("Blogwire Hungary") means that *Gawker* has additional responsive documents that "must exist" about that foreign company – is not well-taken.

It is not surprising that *Gawker* has no additional discovery relating to the "functions or line of business" of *Blogwire Hungary* generally (RFP No. 89) or specifically "with respect to the publication of material on Gawker.com" (RFP No. 90), since Blogwire Hungary plays no role in Gawker's operations or the publication of material on gawker.com. Likewise, it is hardly surprising that *Gawker* has no documents concerning "direct or indirect receipt of advertising revenue in connection with Gawker.com" by *Blogwire Hungary* (RFP No. 93), since Blogwire Hungary has nothing to do with advertising on gawker.com. Moreover, the Court has already rejected plaintiff's request for documents more broadly relating to Blogwire Hungary's "revenue, compensation, funding and/or assets" and the basis therefor, instead limiting discovery to



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revenues (if any) flowing to Blogwire Hungary from the publication of the Gawker Story. *See* Feb. 26, 2014 Order ¶ 13.<sup>1</sup>

Moreover, your letter, sent more than four months after Gawker provided the discovery ordered by the Court, appears to be an attempt to "set up" an argument in connection with Blogwire Hungary's pending appeal that still more discovery related to Blogwire Hungary is needed. That is improper for three reasons:

- 1. Although Gawker has in any event fully complied, the discovery plaintiff seeks about Blogwire Hungary necessarily relates to whether there is jurisdiction over it and, if so, whether it is liable. Since the question of whether Blogwire Hungary is subject to the jurisdiction of the Court is now before the District Court of Appeal, it cannot be addressed before the Circuit Court at the same time, and pursuing discovery on that question even if Gawker had anything else to provide would be decidedly improper.
- 2. In that regard, in moving to dismiss that appeal, Mr. Bollea argued that he needed more discovery about Blogwire Hungary. In denying Mr. Bollea's motion, the appellate court appears to have rejected his argument and instead to have credited Blogwire Hungary's position that the relevant question is whether *Gawker* was a sham entity established for an improper purpose like avoiding creditors a subject on which there has been exhaustive discovery.
- 3. In asserting that Blogwire Hungary was directly involved and that discovery about it is otherwise supposedly proper, you have grossly distorted the actual facts. Your letter asserts, at 5, that Blogwire Hungary "was directly involved in the acts giving rise to plaintiff's claims" because it "owns the domain Gawker.com (where the [Video] was published)," it "owns the software platform from which the sex video was offered to the public," and it "owns [the] trademarks and tradenames . . . used to 'brand' the website to the public." In fact, as substantial prior discovery and deposition testimony provided to date confirms, Blogwire Hungary owns the domain *name* (not the domain) and it *licenses* the software and trademarks. There is not a shred of evidence that Blogwire Hungary played any role in the creation, editing or publishing of the content at issue, the allegedly tortious conduct. Blogwire Hungary has no more involvement in, or responsibility for, creating the content published on gawker.com than, for example, Microsoft has in creating the documents your firm prepares using Microsoft Word.

<sup>&</sup>lt;sup>1</sup> Your letter incorrectly describes the Court's order with respect to RFP No. 92, which called for the production of documents reflecting the amounts of financial transactions between "Defendant Gawker Media Group, Inc. and Kinja, KFT," not as you assert "financial transactions between Kinja and Gawker." Gawker has no such documents.



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# II. Gawker Has Properly Responded to Plaintiff's Third Set of Interrogatories.

Plaintiff complains that Gawker has refused to provide still more detailed information about individual categories of its revenue or expenses. Gawker has already provided almost four years worth of the company's income statements, balance sheets, and revenue derived by gawker.com. And, even though no advertising was sold in connection with the post at issue, Gawker has provided all of its "insertion orders" (used to purchase advertising on Gawker's websites) since 2009.

Plaintiff apparently seeks to turn this case – where full information has been provided about Gawker's revenues both overall and from gawker.com – into a forensic accounting of Gawker's financial records for a multi-year period. Particularly given that plaintiff has refused to produce *any* financial information (even information directly related to his claims for damages, such as the value of a "Hulk Hogan" tape), this is improper, and Gawker respectfully believes that enough is enough. Even if plaintiff is entitled to know about Gawker' profits and revenues, about gawker.com's revenues, about revenues and profits (if any) from the post at issue, and about Gawker's advertisers, all of that information has readily been provided. Plaintiff is not entitled to comb through individual line items of Gawker's financial statements, asking about each individual source of revenue and each individual expense item simply by virtue of having asserted an invasion of privacy claim, based on some vague theory that they may have been "influenced by Gawker's publication of the sex video."

# III. Gawker Has Properly Responded to Plaintiff's Fourth Set of Document Requests.

Gawker has responded to 130 document requests and has produced more than 23,000 pages of documents. Indeed, all told, Gawker, together with A.J. Daulerio and Nick Denton, have responded to **more than 300** discovery requests from plaintiff. Not satisfied, plaintiff now wants still more, but, as explained below, those further requests are improper, including because in many instances Gawker has no additional documents in its possession, custody or control.

With respect to RFP Nos. 119 and 120, plaintiff has apparently renewed his request for revenue information for *other* websites operated by Gawker (*i.e.*, other than Gawker.com). At the November 25, 2013 hearing, the Court was clear that breakdowns of finances with respect to other websites operated by Gawker need not be produced, including because plaintiff already had full financial information for Gawker as a whole and for Gawker.com. Serving new document requests seeking information that was already adjudicated as not relevant is improper.

With respect to RFP No. 122, plaintiff apparently complains that Gawker has not produced traffic information concerning websites other than Gawker.com. As has been repeatedly communicated to plaintiff, this information is readily available at <u>quantcast.com</u>, as the Court recognized in its February 26, 2014 Order, at 2 ¶ 5. To the extent that the request also appears to involve visitors who were also using the discussion/publishing platform known as "Kinja," Gawker's response explained that the Kinja software was not used until approximately



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six months after the publication of the post at issue. As such, information about visitors to *other* websites who also used a software platform *not in effect at the time* is not even arguably relevant.

With respect to plaintiff's Second RFP No. 116, Gawker's response explained that Gawker is privately held, as are GMGI and Blogwire Hungary. In any event, even if Gawker had any documents related to public offerings of debt, equities or security, this request also reflects an improper attempt to conduct a forensic accounting review of the defendants, and we fail to see how such documents could possibly be related to any issue in this case. Moreover, now that GMGI has been dismissed from the case and now that jurisdiction over Blogwire Hungary is on appeal, discovery as to their finances would be improper.

With respect to RFP No. 121, we respectfully refer you to the discussion above about why discovery related to Blogwire Hungary's finances is improper at this time. Regardless, Gawker does not have access to Blogwire Hungary's income statements, its balance sheets, or its other financial statements. Such information should be requested directly from Blogwire Hungary, in the unlikely event that the District Court of Appeal should conclude that it properly belongs in this case.

With respect to RFP No. 126, Gawker has produced its standard language for confidentiality agreements, which will more than adequately allow plaintiff to argue that Gawker treats certain business information as confidential, for whatever that is worth. Gawker respectfully declines to produce specific agreements using that language – the whole point is that either Gawker, or the other party, or often both, has agreed to keep that information confidential, and plaintiff's request for all such documents is both irrelevant to any legal issue in the case, would interfere in confidential business relationships that have nothing to do with this case, and would impose a substantial burden on Gawker without any appreciable benefit to plaintiff's ability to litigate his claims.

We trust that the foregoing addresses your concerns, although we realize that both your letter and this response cover significant ground. Accordingly, we will contact you shortly to set up a call to discuss this issues so that we can try, to the extent possible, to respond to any additional concerns you may have. If there are times over the next few days or so that would be particularly convenient to do so, please let us know and we will do our best to accommodate your schedule. Thank you.

Sincerely,

LEVINE SULLIVAN KOCH & SCHULZ, LLP

Ву: 🔣

Seth D. Berlin Alia L. Smith

cc: Other counsel of record