

# /// Market Impact in an Evolving World

By Donna Kline — [www.DLKIndustries.com](http://www.DLKIndustries.com)

Donna Kline Now!



/// Donna Kline is a reporter for *Pittsburgh Business Report* and a former reporter for *Bloomberg New York*.

## LEADER V. FACEBOOK PRESS BACKGROUND

1. Brief Summary (PDF)
2. Backgrounder (PDF)
3. Muppet Chat (PDF)

## MOBILE QR-CODE:



 Follow @DonnaKline1

 Tweet

 Tweet #TwitterStories

 Tweet to @DonnaKline

## RECENT POSTS

/// MF Global + JP Morgan + Goldman

{ 2012 03 20 }

## /// What Facebook, Goldman Sachs and Fenwick & West don't want us "muppets" to know

Last Updated Mar. 24, 2012, 11:49 PM EST



1. Facebook risks losing a *Leader v. Facebook* federal patent infringement lawsuit.

Facebook did not bother to disclose this in the S-1 to us muppets.[1]

See [Leader Technologies, Inc. v. Facebook, Inc.](#), 08-cv-862-JJF-LPS (D.Del. 2008) and [Leader Tech v. Facebook](#), Case No. 2011-1366 (Fed. Cir.).

2. Facebook was found guilty of "literal infringement" of 11 of 11 *Leader* patent claims in federal court, which essentially means that the engine running Facebook is *Leader's* invention?

Facebook did not bother to disclose this in the S-1.[2]

See [Jury Verdict Form](#), *Leader Technologies, Inc. v. Facebook, Inc.*, 08-cv-862-JJF-LPS (D.Del. 2008).

3. At the time of the S-1 filing, the *Leader v. Facebook* appeal at the U.S. Court of Appeals for the Federal Circuit was pending—the first ever federal appeal in Facebook's history.

**Fig. 1 – Big trouble ahead for the Facebook IPO?** Donna Kline reports for *Pittsburgh Business Report* and is a former reporter for *Bloomberg*. This report analyzes Interrogatory No. 9, among other things.

Facebook did not bother to disclose this in the S-1.

See [LEADER TECH V FACEBOOK](#), March 5, 2012, Panel B, Courtroom 402, Judges: Lourie, Moore, Wallach. "Upcoming Oral Arguments – March Calendar. United States Court of Appeals for the Federal Circuit.

4. Facebook is required by law to disclose in an S-1 anything other than routine litigation.

Facebook did not bother to disclose this in the S-1.

Sachs + Harvard  
 Grads + Politics =  
 A big mess  
 /// What Facebook,  
 Goldman Sachs and  
 Fenwick & West  
 don't want us  
 "muppets" to know  
 /// Make up your  
 mind, Fenwick &  
 West LLP  
 /// Muppet Mania  
 /// Haughtiness in  
 the face of "literal  
 infringement"  
 /// Facebook ordered  
 pharma users to  
 allow comments, yet  
 will not return  
 phone calls now  
 /// First thoughts  
 after leaving  
 courthouse March 5,  
 2012  
 /// Judges Selected  
 /// San Francisco  
 CBS-TV KPIX  
 Coverage  
 /// NBC-TV4  
 (Columbus)  
 Interview with  
 Leader founder  
 Michael McKibben  
 /// How Facebook  
 tricked the jury –  
 YouTube  
 /// New friends?  
 /// Did Someone  
 Prod the Media?  
 /// Facebook: The  
 New 'Too Big To  
 Fail?'  
 /// Big trouble ahead  
 for the Facebook  
 IPO? — PBR /  
 YouTube

March 2012

**M T W T F S S**

**1 2 3 4**

Recent SEC response to an inquiry about what Facebook is required to disclose in an S-1: "filers must disclose legal proceedings that: 1. Are other than ordinary routine litigation 2. claims [sic] that exceed 10% of the current assets of the issuer."

Apparently Facebook believes that their first-ever hearing at the second highest court in the United States (the Federal Circuit) is "routine."

5. Facebook presented attorney-altered evidence ([Interrogatory No. 9](#)) in *Leader v. Facebook*.

Facebook did not bother to disclose this in the S-1.

6. Facebook is required by law to disclose in an S-1 any liability amounting to more than 10% of their assets. If Facebook loses *Leader v. Facebook*, they might have to pay damages ranging from 5-25% of their gross revenue from 2006 to 2021.

5-25% of Facebook's gross revenue will likely be more. Facebook did not bother to disclose this risk in their S-1

See [Journal of Accountancy](#); See also [Georgia Pacific v. United States Plywood Corp.](#)

7. If Leader can prove "[willful infringement](#)," Facebook might have to pay three times (3x) the damages.

Facebook did not bother to disclose this in their S-1.

8. Facebook is facing a pending [injunction](#) and might have to shut down if Leader wins its injunction request.

Facebook did not bother to disclose this in their S-1.

See [Leader Complaint](#) at 10.

9. Facebook's S-1 lawyer, Fenwick & West LLP, was Leader Technologies' corporate lawyer in 2002. 2002 was the critical timeframe that Facebook attacked in *Leader v. Facebook*.



Facebook did not bother to disclose this conflict in the S-1.

Did Fenwick use its knowledge of Leader's business and technology for Facebook's benefit? (That's a no-no, by the way...)

According to Leader, Fenwick failed to get a signed waiver from Leader before representing Facebook (according to the California Rules of Professional Conduct); did not disclose this material omission in the S-1.

See the [California Rules of \(Lawyer\) Professional Conduct](#), including [Rule 3-310\(E\)](#) ("A member shall not, without the informed written consent of the client or former client, accept employment adverse to the client or former client where, by reason of the representation of the client or former client, the member has obtained confidential information material to the employment").

10. Fenwick & West

**Update: Scroll down to NEWS FLASH.**

5 6 7 8 9 10 11  
12 13 14 15 16 17 18  
19 20 21 22 23 24 25  
26 27 28 29 30 31

« Feb

## RECENT COMMENTS

bg761 on /// What Facebook, Goldman Sachs and Fenwick & West don't want us "muppets" to know

BG761 on /// MF Global + JP Morgan + Goldman Sachs + Harvard Grads + Politics = A big mess

LW452 on /// MF Global + JP Morgan + Goldman Sachs + Harvard Grads + Politics = A big mess

LW452 on /// What Facebook, Goldman Sachs and Fenwick & West don't want us "muppets" to know

Scrent on /// What Facebook, Goldman Sachs and Fenwick & West don't want us "muppets" to know

KCraine-CA on /// What Facebook, Goldman Sachs and Fenwick & West don't want us "muppets" to know

Amy on /// What Facebook, Goldman Sachs and Fenwick & West don't want us "muppets" to know

annie on /// Make up

LLP has filed almost 100 patents for Facebook that we could readily find. However, **Facebook claims over 700 on p. 91** of the S-1—all filed since August 11, 2006 (U.S. Pat. No. 7,669,123 Zuckerberg et al was the first one).

Patent experts are currently cataloging these 100 Fenwick-filed Facebook patents so that any laymen will be able to verify the information for themselves.

USPTO (United States) and WIPO (world) patent records show only *perhaps* 100 Facebook filings. However, since Facebook claims over 700 patent properties, they should *probably* disclose them(?) Perhaps we muppets don't need to know? Like what we don't know won't hurt us? Hmmmm.

Search for yourself; all USPTO information is public, go to:

<http://portal.uspto.gov/external/portal/pair>

1. Enter CAPTCHA security info.
2. Select "Patent Number" radio button (or other type document desired).
3. Type the number for the "wrapper" (collection of documents) you want.

## Mark Zuckerberg promised to tell the truth to the US Patent Office

This illustration is a composite of the actual USPTO form, pgs. 1, 3.

U.S. Pat. No. 7,669,123  
"System and Method for Dynamically Providing a News Feed About a User of a Social Network"  
"11/02/2006 - Date of Declaration Filed"

Dated: 28 Sep 2006  
(Date of Signature)

Citizenship: U.S.A.

DECLARATION

I hereby declare that . . . willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code and that such willful false statements may jeopardize the validity of the application or any patent issued thereon.

Full name of first inventor: Mark Zuckerberg  
Print First Name, Middle Name or Initial (if applicable), Last Name

Inventor's signature: *MR ZK*  
(Permanent ink only)

Fig. 2 – USPTO Declaration and Power of Attorney for Patent Application filed by Mark Zuckerberg on Nov. 2, 2006 promising to tell the truth about such information as prior art. [Click here](#) to see a complete copy of this USPTO official record.

**Fenwick & West LLP believed Leader's invention was social networking prior art, but did not disclose this to the USPTO in any of the Facebook patents**

2008-12 U.S. Pat. No. 7,603,352  
"Method for dynamically providing a news feed about a user of a social network"  
From 11-15-2008 to 01-01-2012  
Filed with Ser. No. 12/120211

2009-12 U.S. Pat. No. 7,669,123  
"System and Method for Dynamically Providing a News Feed About a User of a Social Network"  
From 03-18-2009 to current  
Filed with Ser. No. 12/120211

By: Christopher P. King, Reg. No. 60,985  
Address for Correspondence:  
Fenwick & West LLP  
Silicon Valley Center  
801 California Street  
Shoreline Vista, CA 94081  
Tel: (408) 252-7620  
Fax: (408) 946-2200

Address for Applicant:  
Facebook, Inc.  
1601 California Avenue  
Menlo Park, CA 94025  
Tel: (650) 532-3500  
Fax: (650) 532-7800

Reg # 001-146229  
Att. Nicholas J. King, Christopher Charles King, Charles King

INFORMATION DISCLOSURE STATEMENT BY APPLICANT  
07-24-2009 - Doc. 1449

A3	US-7,139,781 B2	11-21-2006	McKibben et al.
----	-----------------	------------	-----------------

From U.S. Patent Office Records  
Graphic prepared 03-23-2012

Fig. 3 – Patent Office records reveal that at least Fenwick & West LLP attorney Christopher P. King, Reg. No. 60,985 was representing both Mark Andreessen and Mark Zuckerberg on Feb. 23, 2010 when Facebook was awarded its first U.S. Pat. No. 7,669,123 (and DURING the *Leader v. Facebook* case). Didn't Fenwick & West's Christopher (aka Christopher-Charles) King have a professional duty to disclose the McKibben patent as prior art in the Zuckerberg patent since he had already done so in the Andreessen's social networking patents, and since the *Leader v. Facebook* litigation was *prima facie* evidence of it being potential prior art? [Click here](#) to see portions of the USPTO "wrapper" for Marc Andreessen's U.S. Pat. No. 7,603,352. [Click here](#) to see portions of the wrapper for Marc Andreessen's U.S. Pat. 7,756,945. [Click here](#) to see portions of the wrapper for Mark Zuckerberg's U.S. Pat. 7,669,123 (that was issued just before Facebook flipped its counterclaim in *Leader v. Facebook* to say that

email me on ///Make up your mind, Fenwick & West LLP  
Tex on ///Make up your mind, Fenwick & West LLP  
Tex on /// Muppet Mania  
Amy on ///Make up your mind, Fenwick & West LLP  
Annette on /// Post Crackdown Update  
Steve Williams on /// Muppet Mania  
Amy on /// Muppet Mania  
Joe Lipsius on /// Haughtiness in the face of "literal infringement"  
Joe Lipsius on /// Muppet Mania  
Linda W on /// Muppet Mania  
Michael Kennedy on /// Muppet Mania  
Tex on /// Haughtiness in the face of "literal infringement"  
Al on /// Haughtiness in the face of "literal infringement"  
Tex on /// Haughtiness in the face of "literal infringement"  
Mike Strall on /// First thoughts after leaving courthouse March 5, 2012  
email me on /// Facebook: The New 'Too Big To Fail?'  
///Market Impact in an Evolving World – Donna Kline sheds light on Leader v. Facebook federal appeal | Leader

Leader was prior art). HIDDEN AGENDAS WITH USPTO FILINGS??? FACEBOOK: MASTERS OF THE FLIP-FLOP???

"[Inequitable conduct](#)" means withholding knowledge of prior art (like Leader's) from the Patent Office.

Inequitable conduct in patent law is like selling a car you have acquired under *questionable circumstances*. If you don't warn the person who is considering purchasing the car that the origin of the title is *questionable*, then you are defrauding him/her. Likewise when applying for a patent, you have a legal duty to disclose known prior art to the Patent Office (so it can evaluate if you have clear title to what you are claiming as *novel and unique*). Facebook was judged to be infringing 11 of 11 Leader claims. Did they disclose this to the USPTO? Nope.

**Not a single Facebook patent** filed by Fenwick & West LLP identifies Leader's U.S. Patent No. 7,139,761 as prior art.

We suspect Fenwick knew about Leader's technology for two reasons: (1) they were Leader's lawyers in 2002 when Leader's patent was filed, and (2) they cited Leader's invention in other patent work they did for Marc Andreessen, the founder of Netscape, several years before.

The Andreessen patents filed by Fenwick that cite Leader's U.S. Patent No. 7,139,761 are [7,603,352 \(Filed Aug. 26, 2005\)](#) and [7,756,945 \(Filed Aug. 2, 2005\)](#). See for yourself.

This revelation screams inequitable conduct since Fenwick & West had knowledge of Leader's patent *before it ever filed the first patent for Facebook*.

**NEWS FLASH:** Fenwick & West LLP withdrew representation from these Andreessen patents **just seven weeks ago, on Feb. 1 & 2, 2012!!!** See [USPTO File Wrapper](#) (this is a site patent prosecutors don't want laymen to know about!). Why the hurry, Fenwick? You have been the attorney-of-record on these patents since 2005. Why change now? Hahahaha.

**Fenwick's Christopher P. King, Reg. No. 60,985 knew and didn't tell?**

Patent specialists have uncovered what is perhaps the "smoking gun" that proves that at least one Fenwick & West LLP patent attorney named **Christopher P. King, Reg. No. 60,985** worked on BOTH the Andreessen and Facebook patents. This PROVES that Fenwick & West failed to disclose Leader's patent as prior art to the US Patent Office. Not knowing is one thing. Knowing and failing to disclose that knowledge is a severe no-no. See for yourself by [clicking here](#). If you have trouble with the previous link, that document has also become available by [clicking here](#). See also Figure 3 resource links.

Another oddity is the way **Christopher P. King** as listed in the Andreessen patents changed his name to **Christopher-Charles King** in the Zuckerberg / Facebook patents. It's the same person because his Reg. No. in both is 60,985. Reference to [Fenwick's website](#) shows that Mr. King does not use his newly-minted Facebook name "Christopher-Charles," but rather uses his Andreessen name "[Christopher P.](#)

Phone® Blog on ///  
 First thoughts after  
 leaving courthouse  
 March 5, 2012  
 Michael Neubarth  
 on /// San Francisco  
 CBS-TV KPIX  
 Coverage  
 email me on ///  
 Facebook: The New  
 'Too Big To Fail?'  
 ///Market Impact on  
 an Evolving World –  
 Donna Kline sheds  
 light on Leader v.  
 Facebook federal  
 appeal | Leader  
 Phone® Blog on ///  
 Facebook ordered  
 pharma users to  
 allow comments, yet  
 will not return  
 phone calls now  
 Tex on /// Facebook:  
 The New 'Too Big To  
 Fail?'  
 Pineapp on ///  
 Facebook ordered  
 pharma users to  
 allow comments, yet  
 will not return  
 phone calls now  
 Steve Williams on ///  
 First thoughts after  
 leaving courthouse  
 March 5, 2012

## CATEGORIES

Current Positions  
 Economic Analysis  
 Investigation

## SEARCH BLOG

Search Now

## META

Log in  
 Entries RSS  
 Comments RSS  
 WordPress.org

[King.](#) This alteration of his name to Christopher-Charles would served to prevent his name from appearing on any searches of "Christopher P. King" his Andreessen and non-Facebook prosecution name. WHY THE GAMES WITH YOUR NAME, MR. KING???

**The negative implications on Facebook's 700+ patent portfolio could be enormous, according to patent experts (could invalidate many if not most). Is this not a material risk?**

11. Facebook's S-1 claims over 700 patent properties, presumably including the 92 US and International applications filed for them by Fenwick & West LLP.

What else is Facebook *not* telling us?

12. Whether or not Leader wins *Leader v. Facebook*, Fenwick's failure to disclose Leader's patent could invalidate many of Facebook's patents due to the "inequitable conduct."

Facebook did not bother to disclose this risk to investors in the S-1.

13. Accel Partners LLP, Facebook's first venture capital investor in 2005, put forward its managing partner, James W. Breyer, as Facebook's first chairman.

Accel Partners' principals Jim Swartz and Ping Li received Leader's proprietary business plans in the Fall of 2005, according to [Western Free Press](#). Those documents have no less than 264 notices of Leader's patents pending and proprietary technology.

Facebook did not bother to disclose this risk to investors in their S-1.

[CNET's Molly Wood](#) identifies Jim Swartz and Ping Lee as "big winners" in Facebook's pending IPO. The coincidences just keep piling up.



Fig. 4 – Goldman Sachs and Russian firm Digital Sky Technologies (DST) invest in Facebook; as analyzed on Jan. 4, 2011 in [Industry Leaders](#) magazine.

14. [Facebook filed for an SEC 12\(g\) exemption from the 500 shareholder rule](#) (Note: written by . . . Fenwick & West), then used that exemption as an excuse to sell more than \$2.0 billion worth of its insider shares in a



sale led by Goldman Sachs—all without SEC oversight. These investments included [\\$1 billion from Digital Sky Technologies \(DST\)–Moscow](#) where Goldman Sachs is also a major shareholder. Questions from both the [left](#) and [right](#) swirl about the source of DST’s wealth and its affiliations.

Facebook did not bother to disclose in the S-1 whether or not it went over the 500 shareholder rule in the Goldman Sachs sale, nor did it disclose those liability risks to us muppets.

15. Facebook and Goldman Sachs shut out American investors from the \$1.5 billion financing. See [CNN Money](#).

This is the same Goldman Sachs that was **BAILED OUT** by the U.S. Government during the sub-prime mortgage market meltdown of 2008.



**Fig. 5 – James W. Breyer**, Managing Partner, Accel Partners LLP (in addition to associated investing entities identified in the Facebook S-1); Director, Facebook. *Photo source: Spiegel Online.*

16. **Accel Partners managing partner James W. Breyer** (Facebook’s former chairman, director, and second or third largest shareholder) received a private tour of the Russian State Museum, The Hermitage, in St. Petersburg, hosted by DST’s Juri Milner, according to [Fortune](#). In a recent interview with [CBS’s Charlie Rose](#), Milner said Jim Breyer was a man who “influences” him. Given what this blog is uncovering, this is not surprising.

Breyer and Milner spoke in Munich, Germany at the DLD10 conference. [Click the DLD10 video here](#) to listen to his own words on how much he depends upon Leader Technologies’ invention to fuel Accel Partner’s business.

Take *special note* of Breyer’s statement that he started looking for social network opportunities in “2003-2004” (DLD Video at 19:33). This may have been a Freudian slip since he has never admitted knowing (and secretly funding?) Zuckerberg in 2003-2004. He stated “a couple of partners” at Accel (Jim Swartz and Ping Li?) found Zuckerberg in 2003-2004. (DLD Video at 21:14). This is the first known admission that Accel Partners had contact with Zuckerberg as early as 2003!!!

These Breyer statements are contradicted by earlier public statements. He was (and is) an uber-active Harvard alum, was President of the National Venture Capital Association, and is a co-owner of the Boston Celtics (Read: Loves all things Boston, including his Harvard alma mater.) Zuckerberg received almost as much coverage in *The Harvard Crimson* between October 2003 and September 2004 as President Clinton and more than George Bush, Al Franken, Google and IBM, yet “a couple of partners” (and not Breyer?) first took note of the Zuck! But I digress.

Nonetheless, in his Stanford interview with Zuckerberg on Oct. 26, 2005, he sticks with his other story that he first met the Zuck sometime later in 2004 or early 2005 at “the Village Pub.” [Click here](#) to see the full unedited video of the Breyer-Zuckerberg Stanford interview (63 min.). See also [Stanford Interview Transcript page 8, line 20](#). Breyer confirms this story in the Munich interview, even giving us the exact date: Monday, April 4, 2004 (DLD Video at 21:28).

Amazingly, in the DLD video Breyer describes the very circumstance in the late 1990’s where an entrepreneur (like Leader) gets ripped off by venture capitalists (like Accel Partners) (DLD Video at 6:02-7:34). In other words, he did with Zuckerberg what he now doesn’t think will be repeated since everyone will now run on his Facebook Connect platform (... after he has reaped the benefit? How convenient.) This blog has learned that Breyer was invested in several medical companies that were doing business with Boston Scientific—at the time of Leader’s confidential clinical trials with Boston Scientific in the Fall of 2003. More coincidences. Did he know about the Leader platform when he teamed up with the Zuck?

In short, Breyer now admits that Accel Partners met Zuckerberg in 2003!!! After the copying of Leader Technologies’ White Paper? The coincidences just keep piling up.

Also note Breyer’s negativity about the US tech investment market. Perhaps he is trying to use his influence to create a self-fulfilling prophecy since he is going to lose *Leader v. Facebook* and must go international where patent laws are lax or non-existent??? Non-US investments represent 75% of Accel’s business in “London, Beijing and Bangalore” . . . and Moscow. Very interesting perspective indeed from a US tech leader who serves on dozens of US boards of directors, and is touted by President Obama as the “future of innovation.” **The question is where? Managed by whom?** (DLD Video at 4:35; 6:07).

In this video Milner confirms his objective to tap into all Facebook transactions via Facebook Credits (“virtual payments”). Hmmmm. Smell a world currency plan (DLD Video at 30:59-32:05).

—



Source: Creators.com.



Source: Bob Englehart, Hartford Courant.

Facebook's S-1 does not disclose the investor risks associated with receiving foreign investments that [Fortune magazine](#) says have uncertain origins.

**Milner on financing:** euphemism for making a multi-billion dollar private market in Facebook insider stock: "IPO Supplement." (DLD Video at 32:40-33:20).

**Milner on monopolies:** "Facebook monopoly worldwide is inevitable." (DLD Video at 38:45-39:55).

**Milner on monetization:** Finds a "tax" on all application *revenue* running on a social platform attractive. Virtual government? (DLD Video at 30:59-32:05).

**Milner on Facebook privacy:** When asked why Facebook keeps screwing up, Milner said "Facebook is as good as it gets." (DLD Video at 46:04-46:53). (This was before the FTC's sanction of Facebook on privacy.) Did anyone hear George Orwell just turn over in his grave?

**Milner on exit strategy:** He is not interested in one, has "unlimited" patience, and wants to "follow the vision." What is the vision if it is not to give investors a return? Oh, I forgot, a "tax." So he can pay the upkeep on his \$100 million Silicon Valley mansion (see below)? What has Goldman gotten us into?? (DLD Video at 42:00-42:25).

What drives these Men from Moscow? Not American capital rules, for sure. With this kind of agenda, I'd muster the patience of Job!!!

17. Goldman Sachs was one of the first investors along with Russian oligarch Alisher Asmanov in Digital Sky Technologies (DST) where Juri Milner is CEO. DST's Moscow and London employee base "reads like a Goldman Sachs alumni roster. Seventy percent of his

staff came from the bank,” according to [Fortune](#).

Facebook’s S-1 does not disclose these conflicts of interest where Goldman Sachs is sitting on *both sides* (buyer *and* seller) of this prospective Facebook IPO (not to mention the fees they have already made in the \$2+ billion private market). Old habits die hard apparently. Goldman must think itself immune from the rules?

18. Accel Partners ([in a private sale brokered by Goldman Sachs](#)) sold a “significant chunk” of its Facebook stock to DST/Milner/Asmanov, according to [TechCrunch](#). In other words, Accel has already made \$500M-\$1B in cash off of the technology that Leader Technologies invented and that Accel has known about since at least October 2005.



Fig. 6 – Juri Milner, CEO, Digital Sky Technologies (DST), Moscow, Russia. Photo: [Fortune](#).

Facebook failed to disclose this liability risk as well.

19. DST-Moscow’s Juri Milner paid \$100 million to buy a house in Silicon Valley in July 2011. This was the highest price ever paid in the USA for a single-family home, according to [Los Angeles Times](#).

Goldman Sachs, Milner’s and Facebook’s one and the same business partner and underwriter, had to be bailed out by the American taxpayer. What is this ostentatiousness telling us about the morality and ethics of this Facebook / Goldman Sachs bedfellow?

20. Mark Zuckerberg is looking to Juri Milner and DST to guide his “Facebook Credits” plan, according to [The Economist](#), [TechCrunch](#) and [Fortune](#).

Given Facebook Director and early investor [Peter Thiel’s](#) openly libertarian views regarding banking regulation, should Facebook and Goldman Sachs be disclosing to America their intentions, especially to prospective investors who may not share their international agenda for world peace and harmony via a global Facebook? Thank you Leader? Oh wait, they infringe Leader.

21. DST’s largest investor (and perhaps the REAL #2 investor in



Fig. 7 – Alisher Asmanov, Russian oligarch, largest shareholder of Digital Sky Technologies (DST) which has already purchased \$2 billion of Facebook insider shares; unregistered sales brokered by Goldman Sachs in 2010-2011. [Fortune](#) magazine

says “the origin of his wealth is not clear.” Asmanov may be, effectively, the second largest shareholder in Facebook. *Photo: The Guardian UK.*

Facebook) is Russian [oligarch](#) Alisher Asmanov about whom *Fortune* magazine says “the origin of his wealth is not clear.”

Facebook’s S-1 does not disclose the swirl of “[Devourer of Websites](#)” defamation lawsuits that Asmanov filed all over Europe against bloggers and newspapers after Britain’s former ambassador to Uzbekistan criticized him and these sites carried the news report, according to [Gawker](#) and [4News](#).

See also “Facebook investor DST comes with ties to Alisher Usmanov and the Kremlin – Three Goldman Sachs bankers, Alexander Tamas, Verdi Israelian and John Lindfors joined DST over the past three years.” [The Guardian](#).

Let’s see, the second largest shareholder in Facebook launches defamation lawsuits from Moscow, Russia against anyone who disagrees with him. Why have we not heard about this? Why didn’t Facebook disclose this risk?



#### Footnotes:

[1] “Muppets” is the term used by some Goldman Sachs insiders to describe their customers according to departing executive Greg Smith. See Greg Smith. “Why I Am Leaving Goldman Sachs.” [The New York Times](#), Mar. 14, 2012; See also this blog’s post [Muppet Mania](#).

[2] For in-depth legal analysis (in more or less layman’s terms) of the *Leader v. Facebook* trial and access to much of the evidence, go to <http://facebook-technology-origins.blogspot.com/>. For a Cliff’s Notes version, go to [Backgrounder](#) and [Brief Summary](#).

#### Credits:

“Beaker” is a long-time Muppet character owned by [Sesame Workshop](#). The source of the link used in this blog is <[http://peilo.com/wp-content/uploads/2010/01/Meep\\_Meep\\_Muppet\\_Beaker\\_by\\_KuroganeLee.jpg](http://peilo.com/wp-content/uploads/2010/01/Meep_Meep_Muppet_Beaker_by_KuroganeLee.jpg)>.

Fenwick & West LLP logo is a link from the Fenwick & West LLP corporate website at <http://www.fenwick.com/images/logo/inner-logo.gif>.

---

Posted by [Donna Kline](#) on Tuesday, March 20, 2012, at 12:34 pm.

Filed under [Investigation](#).

Follow any responses to this post with its [comments RSS](#) feed.

You can [post a comment](#) or [trackback](#) from your blog.

---

{ 5 }

## Comments

1. **Amy** | March 20, 2012 at 5:38 pm |  [Permalink](#)

Donna,  
Congrats on doing such a FABULOUS job on covering this story! With the magnitude of corruption in this world today, people need educated so they can stay vigilant, esp, in today's world with money being so tight for everyone. THANKS FOR BEING SUCH A "TOUGH COOKIE" We need more back-boned people like you, because there are soooo many people and events that need to be brought to the surface. What is it called?..that's right .."The domino effect". Keep up the great work for, "one nation under God..."
2. **KCraine-CA** | March 22, 2012 at 10:08 pm |  [Permalink](#)

Dear Donna, SORRY for doubting you (and sorry this post is long), but I really had a hard time believing your statement that "Zuckerberg received almost as much coverage in *The Harvard Crimson* between October 2003 and September 2004 as President Clinton and more than George Bush, Al Franken, Google and IBM." So I went the Crimson site and checked for myself.

You are right! He even received twice as much coverage as the famed *Harvard Lampoon*!!! My conclusion? There is no way a 19-year old Zuckerberg, disrespectful, "I thought that might be kinda fun, dude" kid could have garnered this much press coverage without a powerful Harvard donor / handler (James W. Breyer, Accel Partners?). (FYI: Pres. Obama's Economic Council director Larry Summers was Harvard president then.) Isn't it strange that Breyer has carefully avoided any such admission (except for his Freudian slip in the

Munich video). It's hard enough getting a couple articles a year, much less Zuckerberg's 22 in eight months—from 17 DIFFERENT CRIMSON JOURNALISTS!!! AWESOME DUDE!!!, not to mention another 34 mentions of (the)Facebook (I actually stopped counting to go throw up). This part of the story is just as unbelievable as him creating the entire platform in “one to two weeks” when it took Leader Technologies 145,000 man-hours and \$10 million to invent the real technology. I pray the Federal Circuit judges smack down Facebook's we-are-untouchable arrogance. “Pride comes before the fall.”

Breyer's “prepared-mind” really does think we're all a bunch of idiots, doesn't he? I also watched all the videos. Breyer has been the “power behind this thrown” all along? Did you notice how he was “handling” the Zuck at the Stanford interview? You can easily tell when they were making it up on the fly . . . uh, ah, er, you know, dude. Has this guy hatched a plan with Goldman, Fenwick, the Russians to “tax” us all from the comfort of their international jets / yachts / villas / dachas? Muppets Unite!!!

I found another great site that has catalogued *The Harvard Crimson* links. Hope this cut and paste works. The site is [Facebook Technology Origins?](#)

1. Oct. 23, 2003, S.F. Brickman, [Not-so-artificial Intelligence](#)
2. Nov. 04, 2003, Bari M. Schwartz, [Hot or Not? Website Briefly Judges Looks](#)
3. Nov. 06, 2003, S.F. Brickman, [Face Off – New web venture not so hot](#)
4. Nov. 19, 2003. Katharine A. Kaplan, [Facemash Creator Survives Ad Board](#)
5. Dec. 09, 2003, David M. Kaden, [College Inches](#)

[Toward Campus-Wide Facebook](#)

6. Dec. 11, 2003, The Crimson Staff, [Put on a Happy Face](#)
7. Feb. 09, 2004, Alan J. Tabak, [Hundreds Register for New Facebook Website](#)
8. Feb. 17, 2004, Amelia E. Lester, [Show Your Best Face](#)
9. Feb. 18, 2004, Alan J. Tabak, [Harvard Bonds on Facebook Website](#)
10. Mar. 01, 2004, Adam P. Schneider, [Facebook Expands Beyond Harvard](#)
11. Mar. 09, 2004, Leon Neyfakh, [Columbia Rebukes thefacebook.com](#)
12. Mar. 11, 2004, The Crimson Staff, [Manifest Destiny, Facebook Style](#)
13. Mar. 15, 2004, Matthew A. Gline, [CrimsonPartiesHookupExchange.com](#)
14. Mar. 18, 2004, Sarah E.F. Milov, [Sociology of thefacebook.com](#)
15. Mar. 19, 2004, Anastasios G. Skalkos, [New Online Facebook Launched](#)
16. May 07, 2004, M. Grynbaum, [Online Facebook Solicits New Ads](#)
17. May 28, 2004, T.J. McGinn, ["Online Facebooks Duel](#)

[Over Tangled Web of Authorship](#)

18. Jun. 10, 2004, Elena Sorokin, [Internet Boosts Social Scene](#)
19. Jun. 10, 2004, M. Grynbaum, [Zuckerberg '06: The whiz behind thefacebook.com](#)
20. Aug. 13, 2004, Alan J. Tabak, [Zuckerberg Programs New Website](#)
21. Sep. 13, 2004, T.J. Mcginn, [Lawsuit Threatens To Close Facebook](#)
22. Sep. 15, 2004, The Crimson Staff, [Facing Off Over The Facebook](#)

Not bad for a kid who said “I don’t know what I am doing” two years later in the Oct. 26, 2005 Stanford video. Is James W. Breyer the Don King of social media? Does his “prepared-mind” thesis have a moral backbone? Do we want our future economies guided by such morality? Is Mr. Zuckerberg the kind of “entrepreneur” that we want our children emulating? In the end, its our choice, not theirs. Meep, meep.

3. **Scrent** | March 23, 2012 at 1:58 am |   
[Permalink](#)  
Meep, meep. Very snarky post, love it.

4. **LW452** | March 24, 2012 at 1:52 am |   
[Permalink](#)  
These Facebook people redefine “sneaky.” Why are we paying big salaries to the SEC to supposedly police this misconduct? CLEARLY THEY’RE DOING NOTHING. This blog exposes behavior that proves we’ve done NOTHING to fix our financial system. We bailed out immoral people who stuck the money in their pockets and are laughing all the way to their

vacation homes in the Bahamas \* \* \*  
and we won't put any of them in jail.  
This must stop folks. Let's start  
throwing our weight behind teams like  
McKibben's – the REAL inventors of  
social networking!!! – – We need to  
start rewarding the good guys instead  
of these Facebook scoundrels.

5. **bg761** | March 24, 2012 at 3:40 pm | 

[Permalink](#)

When have attorneys been allowed to pass their "Reg. #" to another attorney? Especially when involved in Patent applications!! Or do you just change your middle name and add a "hyphen" so that the odds of not being discovered with a search engine are increased astronomically!!!!!! The majority of people that do this have something to hide. Does Mr. King have something to hide other than the fact that he apparently omitted important disclosure information, the Leader 761 patent, to the USPTO when applying for Facebook patents but included the Leader "761" patent as prior art in the application for the Andreessen patents! Why haven't the SEC, FTC and the U.S. Patent Office looked into this? How many "coincidences" will it take to get the mainstream media involved? See the California State Bar Association website to see the name he used when becoming an attorney!  
<http://members.calbar.ca.gov/fal/Member/Detail/247867>  
Why the name change on Facebook patents?

## Post a Comment

*Your email is never published nor shared. Required fields are marked \**

**Name \***

**Email \***

**Website**

**Comment**

Submit comment

« [///MAKE UP YOUR  
MIND, FENWICK & WEST  
LLP](#)

[/// MF GLOBAL + JP  
MORGAN + GOLDMAN  
SACHS + HARVARD  
GRADS + POLITICS = A  
BIG MESS](#) »

© 2012 [Donna Kline](#) | Thanks, [WordPress](#) | [Bartheleme](#) theme by [Scott](#) | Standards Compliant [XHTML](#)  
& [CSS](#) | [RSS Posts](#) & [Comments](#)