MR. LIDDIARD: Mr. Abell, I've handed to you ...

1. PAGE 17:06 TO 17:13 (RUNNING 00:00:23.064)
   06 Q And what is the reason for Orchard Supply
   07 deciding to cancel ratings and reviews from its
   08 website?
   09 A So it's part of the broader budget decision
   10 we made last September where we went from a $2 million
   11 budget to an $800,000. Ratings and reviews just
   12 wasn't deemed a priority, and it didn't fit into the
   13 $800,000 budget, so it was cut at that time.

2. PAGE 27:16 TO 28:03 (RUNNING 00:00:32.000)
   16 Q Would it be fair to say, in your business
   17 judgment, that the merger will not harm Orchard Supply
   18 Hardware?
   19 MR. HUSTON: Objection; lacks foundation;
   20 vague and ambiguous.
   21 THE WITNESS: It would depend on the time
   22 line. So for the next two to three years, we have no
   23 intention of jumping back into either space that we're
   24 currently using them today.
   25 If we were to jump forward three to four
   00028:01 years, would I have some concerns if these were still
   02 the only two players that had gone to one in that
   03 space, yes.

3. PAGE 28:14 TO 28:20 (RUNNING 00:00:20.802)
   14 Q Do you know, for example, if it's more than
   15 five?
   16 A All I know in that space is that there were
   17 two big players and that those two players have gone
   18 down to one. Our personal, the way we have designed
   19 our business, we have no capability from an IT
   20 perspective to be able to build that in-house.
And do you have an understanding ...

1. PAGE 45:19 TO 45:24 (RUNNING 00:00:14.593)
   Q.  And do you have an understanding of the concept of fixed costs?
   A.  In general.
   Q.  What does it mean to you?
   A.  They are the costs that are not related to any individual sale.

2. PAGE 44:18 TO 44:20 (RUNNING 00:00:04.793)
   Q.  Would there be fixed costs associated with developing a ratings and reviews product?

3. PAGE 44:23 TO 45:04 (RUNNING 00:00:23.097)
   A.  Fixed costs, yes. While I'm not sure quite what you mean by fixed cost but we pay our engineers who develop our software product and the time they spend working on developing a ratings and reviews product is a cost to our company.

4. PAGE 45:06 TO 45:09 (RUNNING 00:00:06.092)
   myself. The question I should have asked you was what would the costs be associated with developing a ratings and reviews product?

5. PAGE 45:12 TO 45:18 (RUNNING 00:00:18.000)
   A.  Primarily the engineering time needed to build the product. And by that I mean broadly also the time needed to do the research into the product features and develop the specification and do the design work. It's the time needed to develop the product.

6. PAGE 46:11 TO 46:13 (RUNNING 00:00:09.934)
   more focused question for you. If you developed a ratings and reviews solution, what steps would you take to market it?

7. PAGE 46:16 TO 47:12 (RUNNING 00:01:05.963)
   A.  We would do what in my business is the normal set of things related to selling this kind of product. It's a business to business sale. Our customers are merchants. We would go, you know, go to trade shows, put out press releases, host industry dinners. We have an inside sales team that picks up the phone and calls prospective customers and an outside sales team that follows up when we get
And did you believe that Big Fish Games ...

And did you believe that Big Fish Games ...

1. PAGE 64:12 TO 64:16 (RUNNING 00:00:16.582)
   Q. Did PowerReviews and Bazaarvoice know that they were competing against each other for Big Fish Games business?
   A. Yes. Because I was pretty blunt with them that they were competing for our business.

2. PAGE 65:18 TO 65:20 (RUNNING 00:00:09.616)
   And did you believe that Big Fish Games benefited from the competition between Bazaarvoice and PowerReviews?

3. PAGE 65:22 TO 67:04 (RUNNING 00:02:03.575)
   A. Honestly, I do believe that there was a number of concessions that I was able to get from both sides that was favorable to Big Fish that ultimately helped us to have a tremendous deal.
   Q. And what concessions were those?
   A. Whether it's the price of their service, whether it's primarily the price of the service. Because, again, they had very similar feature sets. So we were able to get, you know, a better termination agreement, able to negotiate a cap in terms of price increases. It could be conceivable that maybe I could have done that without the competition. But it just -- it certainly seemed like it was -- it made it easier for me.
   Q. Did -- how did these companies, Bazaarvoice and PowerReviews, price their product?
   A. They always priced their products and -- and their list price is always pretty incredibly high. And then -- then you start to have the negotiations, and they were able to drop, drop their prices probably three times. I believe Bazaarvoice specifically dropped their price three times.
   Q. During the negotiations?
   A. Yeah.
   And PowerReviews was able to come back with a more competitive price.
   00067:01 HEVERLEY
   And ultimately it -- we just bottomed out, and Bazaarvoice just had a couple of things that made us feel better going with them.