

Shawna Meyer Contradictions

Testimony during trial

615:28 19 Q. When you joined Enron Communications, to the
615:29 best of
615:29 your
615:30
615:30 20 knowledge, did Enron have a network?
615:31
615:31 21 A. Yes.
615:32
615:32 22 Q. From what you knew, did the network work?
615:33 23 A. Yes.
615:33 24 Q. And it had these components that we are talking
615:34 about
615:34 25 here today?
616:1 1 A. Yes.
616:2 2 Q. Was it the only network like that in America?
616:3 3 A. No.
616:4 4 Q. Who else had a network similar?
616:5 5 A. MCI WorldCom, AT&T, SBC, Akamai, Broadcast.com,
616:5 Real
616:6
616:6 6 Networks.
616:7
616:7 7 Q. Now, there's got to be a business reason that
616:8 someone
616:8 has
616:9
616:9 8 a network.
616:10
616:10 9 What is the business reason that somebody
616:11 has a
616:12 10 network?
616:13 11 A. Well, to share information. Depending on what
616:13 you
616:14 are
616:15 12 doing, different businesses do different things.
616:15 But, in
616:16
616:16 13 essence, networks are used to share information. In
616:17 the
616:17 case
616:18
616:18 14 of Enron, was to build applications to deliver for

616:19 -- to
616:19 make
616:20
616:20 15 money.
616:21
616:21 16 Q. You used the term "applications." We'll talk
616:22 about
616:22 that
616:23
616:23 17 later. But just generally, is an application
616:24 something
616:24 like a
616:25
616:25 18 product?
616:26
616:26 19 A. Yes.
616:27
616:27 20 Q. Have you heard of the term EIN?
616:28
616:28 21 A. Yes.
616:29
616:29 22 Q. What does EIN stand for?
616:30
616:30 23 A. Enron Intelligent Network.
616:31
616:31 24 Q. Does the word "intelligent" have any meaning in
616:32 the
616:33
616:34 25 computer world?
617:1 1 A. Yes.
617:2 2 Q. What does that mean?
617:3 3 A. Well, intelligence makes a couple of
617:3 assumptions,
617:4 that
617:5 4 you can do something that other people can't. So,
617:6 5 self-managing, self-healing, automated provisioning,
617:6 quality
617:7
617:7 6 of service, automated billing and metering. There
617:8 are
617:8 certain
617:9
617:9 7 things that intelligence implies.
617:10
617:10 8 Q. You're referring to intelligence as it relates
617:11 to a

617:12 9 network?
617:13 10 A. Yes.
617:14 11 Q. And in the spring of '99, early summer of 1999
617:14 was
617:15
617:15 12 Enron's network, was it intelligent?
617:16
617:16 13 A. No.
617:17
617:17 14 Q. At any time while you were there, did Enron's
617:18 network
617:19 15 ever become intelligent?
617:20 16 A. No.
617:21 17 Q. Now, have you heard of the software called
617:21 InterAgent?
617:22
617:22 18 A. Yes.
617:23
617:23 19 Q. What is InterAgent?
617:24
617:24 20 A. InterAgent was software that was acquired when
617:25 Enron
617:26 21 Communications bought Modulus Software.
617:27 22 Q. Do you know what InterAgent was supposed to do?
617:28 23 A. Yes.
617:29
617:30 24 Q. What was that?
617:31
617:32 25 A. InterAgent was supposed to be the messaging
617:33 system
617:34 that
618:1 1 provided quality of service, automated provisioning,
618:1 automated
618:2
618:2 2 billing, and metering of the network.
618:3
618:3 3 Q. Was InterAgent software embedded on Enron's
618:4 network
618:4 when
618:5
618:5 4 you joined?
618:6
618:6 5 A. No.
618:7
618:7 6 Q. At any time while you were there, was
618:8 InterAgent ever

618:9 7 embedded on Enron's network?
618:10 8 A. No.
618:11 9 Q. And what does the term "embedded" mean? Does
618:11 that
618:12 have
618:13 10 significance when it is referred to in a network?
618:14 11 A. Yes.
618:15 12 Q. What does that mean?
618:16 13 A. Embedded, the best way to give you the image
618:16 and, you
618:17
618:17 14 know, it's probably not the best image, is if you
618:18 ever get
618:18 a
618:19
618:19 15 sliver in your finger and it gets in there. That's
618:20 embedded.
618:21 16 So, it's actually part of the infrastructure. So,
618:21 it
618:22 would
618:23 17 need to be on a router, in a switch, and on a
618:23 server.
618:24
618:24 18 Q. Did InterAgent have advocates inside of Enron
618:25
618:25 19 Communications?
618:26
618:26 20 A. Yes.
618:27
618:27 21 Q. Who was that?
618:28
618:28 22 A. Rex Shelby and Dave Berberian, and Larry
618:29 Cisco.

GET VIDEO AND POWERPOINT TO SHOW SHE IS LYING

ANOTHER ARGUMENT FROM HER TESTIMONY WE NEED TO NAIL IS
BELOW. ALSO ABOUT MEDIA CAST AND BILLING ETC. USE OTHER VIDEO
AND POWERPOINT SHE SAVED ON 12/99

626:2 2 Q. Now, did you have -- at any time while you were
626:2 at
626:3 Enron,
626:4 3 did you have any proprietary network control
626:4 software that
626:5

626:5 4 could meter bandwidth?
626:6
626:6 5 A. No.
626:7
626:7 6 Q. What about provide for a usage-based billing?
626:8
626:8 7 A. No.
626:9
626:9 8 Q. And did you want that?
626:10
626:10 9 A. Yes.
626:11
626:11 10 Q. And would it have been valuable to you if you
626:12 had it?
626:13 11 A. Yes.
626:14 12 Q. Explain to the jury why that is.
626:15 13 A. The usage-based billing? Well, we talked a
626:15 little
626:16 bit
626:17 14 about the bandwidth reservation, which would be my
626:17 own
626:18
626:18 15 permanent HOV lane, which I think would kind of --
626:19
626:19 16 THE REPORTER: I'm sorry. Could you slow
626:20 down
626:20 just
626:21
626:21 17 a little bit.
626:22
626:22 18 THE WITNESS: I apologize.
626:23
626:23 19 A. So, we talked a little bit about bandwidth
626:24 reservation.
626:25 20 And that was my personal HOV lane between New York
626:25 and
626:26 D.C.
626:27 21 Being able to automatically meter that, which means
626:27 see
626:28 how
626:29 22 much I use, which says I reserve it for a period of
626:29 time,
626:30 but
626:30 23 don't -- you know, it's not 200 cars that are going
626:31 to be
626:31 on

626:32 24 that network or 200 applications, it's just going to
626:32 be
626:33 me.
626:33 25 So, all I really want to do is pay for me, I don't
626:34 want to
626:34 pay
627:1 1 for everybody else.
627:2 2 So, once I leave, you know, go ahead and
627:2 start
627:3
627:3 3 shutting down my reservation behind me. And so,
627:4 that's
627:4 really
627:5
627:5 4 important with applications, which means if an
627:6 application
627:6 is
627:7
627:7 5 going from New York to D.C., I reserve it as I send
627:8 it and
627:8 I
627:9
627:9 6 finish it. I pay only for what I use. And being
627:10 able to
627:11 7 automatically meter and bill for that means that --
627:11 that
627:12 it's
627:13 8 automatically detected. I see that it's Shawna. I
627:13 see
627:14 that
627:15 9 she's run through. This is how much she has used
627:15 and this
627:16 is
627:17 10 what we should be charging her for it.
627:18 11 Q. Did Enron's network, did it bill customers in
627:18 an
627:19
627:19 12 automated fashion?
627:20
627:20 13 A. No.
627:21
627:21 14 Q. How did it go about billing customers for its
627:22 use?
627:22 Do
627:23
627:23 15 you know?

627:24
627:24 16 A. I'm aware of how it was billed for Media Cast.
627:25
627:25 17 What we did --
627:26
627:26 18 Q. I'll tell you what, let's hold off on that
627:27 because
627:27 you
627:28
627:28 19 just used another term for the jury, "Media Cast."
627:29 We are
627:29 20 going to talk about that in just a few minutes.
627:30 21 Did the network have any unique
627:30 proprietary
627:31 software
627:31 22 that could manage the various applications being run
627:32 on
627:32 it?
627:33 23 A. No.
627:33 24 Q. You mentioned applications earlier as a
627:34 product.
627:34 25 What is applications management and what
628:1 1 significance does that play on a network?
628:2 2 A. Well, applications management is the ability to
628:2 manage
628:3
628:3 3 several, several products or applications. I think
628:4 its
628:5 4 important to know that applications are like your
628:5 e-mail,
628:6 your
628:7 5 Internet browser. It's what you are seeing on the
628:7 screens
628:8
628:8 6 over there, whether I have an application to look at
628:9 my
628:10 7 photos, watch videos. Applications management means
628:10 you
628:11 are
628:12 8 capable of managing different types of applications.
628:12 So,
628:13 I
628:14 9 can manage the e-mail system, I can manage the video
628:14 that
628:15 I am
628:16 10 watching, I can manage the photos. And it knows how

628:16 to
628:17 manage
628:18 11 and do the things above it, which is make sure they
628:18 don't
628:19 step
628:20 12 all over each other, make sure that everything
628:20 happens
628:21
628:21 13 efficiently and that the bandwidth isn't being
628:22 overrun by
628:22 the
628:23
628:23 14 various applications.
628:24
628:24 15 Q. Did you have network control software that
628:25 could do
628:25 that
628:26
628:26 16 on your network?
628:27
628:27 17 A. No.
628:28 18 Q. Did you want it?
628:28 19 A. Yes.
628:29 20 Q. Would it have been valuable to you had you had
628:29 it?
628:30 21 A. Absolutely.
628:30 22 Q. What is an operating system?
628:31 23 A. We talked about that a little bit ago with the
628:31 Cisco
628:32 and
628:32 24 Sun example. Operating system is the brains of the
628:33 hardware.
628:33 25 It tells the hardware how to behave, what
628:34 instructions,
628:34 and
629:1 1 what are the standard things that you need to be
629:1 doing.
629:2 In
629:3 2 the Internet, that would be how do you handle
629:3 TCP/IP,
629:4 which is
629:5 3 the way in which traffic is sent across the network.
629:6 4 Q. Now, you threw in the term TC -- what was that
629:6 again?
629:7
629:7 5 A. TCP/IP. We call it IP.

629:8
629:8 6 Q. I'll tell you what, bring this down to
629:9 something that
629:9 --
629:10
629:10 7 on a computer world level, what is it that we would
629:11 use as
629:11 an
629:12
629:12 8 operating system?
629:13
629:13 9 A. You'd use Microsoft Windows.
629:14
629:14 10 Q. What about an application? For that, use the
629:15 same
629:16 11 metaphor for us. What is an application in the
629:16 computer
629:17
629:17 12 world?
629:18
629:18 13 A. That would be Microsoft Exchange or Microsoft
629:19 Word or
629:20 14 Microsoft Excel, Quicken, Turbo Tax, we should all
629:20 know.

687:17 14 Q. Were you working for the preparation of the
687:17 analyst
687:18
687:18 15 conference as a tech person in 2000?
687:19
687:19 16 A. Yes.
687:20
687:20 17 Q. And what was your role to be -- or what was
687:21 your
687:22 18 preparation for the analyst conference in 2000?
687:23 19 A. The role -- what I was doing for the analyst
687:23 conference
687:24
687:24 20 was I was working with the engineering teams to be
687:25 sure
687:25 that
687:26
687:26 21 we deployed 200 servers, a hundred in New York, a
687:27 hundred
687:27 in

687:28
687:28 22 the L.A. facilities to allow for streaming media to
687:29 the
687:30 23 analysts if that's what they decided to do for the
687:30 conference.
687:31
687:31 24 Q. 200 servers; is that correct?
687:32
687:32 25 A. 200 servers, a hundred in New York and a
687:33 hundred in
687:34 L.A.
688:1 1 Q. Was that a significant amount of servers for
688:1 you at
688:2 that
688:3 2 time?
688:4 3 A. Yes.
688:5 4 Q. Approximately how many servers did you have up
688:5 before
688:6
688:6 5 these 200 servers came online?
688:7
688:7 6 A. Less than 50 servers in the network.
688:8
688:8 7 Q. And did you do that, did you get those servers
688:9 up?
688:10 8 A. Yes.
688:11 9 Q. Was it a lot of work?
688:12 10 A. Yes.
688:13 11 Q. And on the day of the analyst conference -- do
688:13 you
688:14
688:14 12 remember the date?
688:15
688:15 13 A. Yes.
688:16
688:16 14 Q. What was the date?
688:17
688:17 15 A. January 20th, 2000.
688:18
688:18 16 Q. What was your job on the day of the conference?
688:19
688:19 17 A. My job on the day of the conference was to make
688:20 sure
688:20 it
688:21
688:21 18 was all working. John Bloomer called me and asked

688:22 me
688:23 19 specifically, are all of the servers up and running
688:23 and
688:24 can
688:25 20 they stream. He wanted to be accurate about those
688:25 servers
688:26
688:26 21 being available. I logged in to all the systems. I
688:27 verified
688:28 22 that the software was working and that streams could
688:28 work
688:29 on
688:30 23 those 200 servers.
688:31
688:32 24 Q. Were they all working that day?
688:33
688:34 25 A. Yes.
689:1 1 Q. Did you check to see what software was being
689:1 run on
689:2 those
689:3 2 servers?
689:4 3 A. Yes.
689:5 4 Q. Was InterAgent being run on any of those 200
689:5 servers?
689:6
689:6 5 A. No.
689:7
689:7 6 Q. Would you know it if it was?
689:8
689:8 7 A. Yes.
689:9
689:9 8 Q. And what about if InterAgent were on there, but
689:10 it
689:10 was
689:11
689:11 9 invisible?
689:12
689:12 10 A. That would kind of be a technical feat. I've
689:13 never
689:13 seen
689:14
689:14 11 invisible software. Everything has a footprint.
689:15
689:15 12 Q. Prior to -- at some point, did you learn about
689:16 what
689:16 was

689:17
689:17 13 said at the analyst conference?
689:18
689:18 14 A. I read the press releases of what was said at
689:19 the
689:19 analyst
689:20
689:20 15 conference.
689:21
689:21 16 Q. Prior to anyone making any kind of statements
689:22 at the
689:23 17 analyst conference, were you consulted about what
689:23 statements
689:24
689:24 18 were going to be made at the analyst conference?
689:25
689:25 19 A. No.
689:26
689:26 20 Q. Were you present when anyone in the technology
689:27 division
689:28 21 of ECI was being consulted about the statements that
689:28 were
689:29
689:29 22 going to be made at the analyst conference?
689:30
689:30 23 A. No.
689:31
689:31 24 Q. Before the analyst conference in January 20th
689:32 of
689:32 2000,
689:33
689:33 25 did you take part in a videotaped interview that was
689:34 going
689:34 to
690:1 1 be part of the promotional materials at the analyst
690:2 2 conference?
690:3 3 A. Yes.
690:4 4 Q. How did you get involved with that?
690:5 5 A. John Bloomer contacted me and asked me if I
690:5 would do
690:6 the
690:7 6 interview.
690:8 7 Q. And what was your response?
690:9 8 A. Yes, given my performance review I had
690:9 previously
690:10

690:10 9 received, I figured you had to get along. So, I was
690:11 there.
690:12 10 Q. Was that something you actually wanted to do?
690:13 11 A. No. I was teased incessantly by the
690:13 engineering
690:14 staff
690:15 12 for having to do it.
690:16 13 Q. Do you recall about when that was that you
690:16 actually
690:17 gave
690:18 14 the interview?
690:19 15 A. It was in December of 1999.
690:20 16 Q. Where did the interview take place?
690:21 17 A. Joe Hirko's office.
690:22 18 Q. At the time, what was Mr. Hirko's position?
690:23 19 A. Co-CEO of Enron Broadband Services.
690:24 20 Q. Was he present when you gave the interview?
690:25 21 A. No.
690:26 22 Q. Who was present?
690:27
690:28 23 A. Two individuals from PR. I don't know their
690:29 names.
690:30
690:31 24 Q. And about how long did the interview take?
690:32
690:33 25 A. I think total, it was probably about an hour,
690:34 maybe a
691:1 1 little bit more.
691:2 2 Q. And what did you say?
691:3 3 A. I focused on the people that I work with and
691:3 the
691:4
691:4 4 engineers, the Media Cast product. I really enjoyed
691:5 the
691:6 5 engineering team and the funding that we had from
691:6 Enron
691:7
691:7 6 Corporation to do the technical things with Media
691:8 Cast
691:9 7 products. So, I talked about what Media Cast was
691:9 doing
691:10 and
691:11 8 the events that we worked on.
691:12 9 Q. Was everything you said in that videotape, was
691:12 it
691:13

691:13 10 truthful?
691:14
691:14 11 A. Yes.
691:15
691:15 12 Q. Did you consider this to be part of the taking
691:16 sandpaper
691:17 13 to the edges?
691:18 14 A. Yes.
691:19 15 Q. Were you ever asked to help in another area of
691:19 the
691:20
691:20 16 company?
691:21
691:21 17 A. Yes.
691:22
691:22 18 Q. When was that?
691:23
691:23 19 A. January 2000.
691:24
691:24 20 Q. What were you asked to do?
691:25
691:25 21 A. John Bloomer approached me to work on the
691:26 Broadband
691:27 22 operating system product.
691:28 23 Q. And what was it that needed to be done on the
691:28 Broadband
691:29
691:30 24 operating system product?
691:31
691:32 25 A. There was no product, so he wanted to have
691:33 somebody
691:34 work
692:1 1 on defining the requirements and building the
692:1 Broadband
692:2
692:2 2 operating system.
692:3
692:3 3 Q. Was the Broadband operating system, was it also
692:4 referred
692:5 4 to by those first three letters, BOS?
692:6 5 A. Yes. It was referred to as the BOS. We are in
692:6 the
692:7
692:7 6 technology industry. We love our three-letter
692:8 acronyms.
692:9 7 Q. What was the BOS?

692:10 8 A. What was the BOS? Well, the BOS wasn't really
692:10 defined.
692:11
692:11 9 At the time the BOS was in a -- was really not
692:12 there. It
692:13 10 was -- if I look back at the slide behind me, it was
692:13 to
692:14 define
692:15 11 the network control software for the network.
692:16 12 Q. To do all these things that we've talked about
692:16 here
692:17
692:17 13 today?
692:18
692:18 14 A. Yes.
692:19
692:19 15 Q. Just to be very clear for the jury, was the BOS
692:20 and
692:20 Media
692:21
692:21 16 Cast, were they the same thing?
692:22
692:22 17 A. No.
692:23
692:23 18 Q. Was the BOS supposed to be an operating system
692:24 or an
692:25 19 application?
692:26 20 A. An operating system.
692:27 21 Q. If you would, in your book in front of you
692:27 there, one
692:28
692:28 22 more tab I would like for you to turn to, PR112.
692:29
692:30 23 Do you see that?
692:31
692:32 24 A. Yes.
692:33

**ALSO SHOWING HOW THE BOS DID NOT LET APPLICATION DEVELOPERS
CONTROL THE NETWORK. AGAIN NEED TO NAIL HER ON THIS**

695:12 9 Q. The question was: What is false about that
695:13 statement?
695:14 10 A. Okay. Where it refers to the Enron Broadband
695:14 operating
695:15

695:15 11 system, that did not exist. So, then if you follow
695:16 on, it
695:17 12 says, that the Broadband operating system is used to
695:17 allow
695:18
695:18 13 application developers to dynamically provision
695:19 bandwidth
695:19 on
695:20
695:20 14 demand for the end-to-end quality, if there is no
695:21 Broadband
695:22 15 system, application developers are unable to do so.
695:23 16 Q. At any time while you were at Enron, did you
695:23 have
695:24
695:24 17 anything that could allow for application developers
695:25 to
695:26 18 dynamically provision bandwidth on demand for the
695:26 end-to-end
695:27
695:27 19 quality of service necessary to deliver Broadband
695:28 content?
695:29 20 A. No, not that I'm aware of.

NOW SHE IS GOING TO LIE ABOUT WHY SHE LEFT ENRON.

SHE SAYS SHE HAD TO LOOK AT HERSELF IN THE MIRROR. HOW ABOUT THE BRAG BY COLLINS THAT HIS COMPANY WAS GOING IPO AND HE WAS GOING TO MAKE 100 MILLION SO HE CONVINCED HER TO COME OVER AND TO TAKE HER HARD DRIVE WITH HER TO THE NEW COMPANY. ALSO SHE DID MAKE SOME MONEY BUT SHE THOUGHT SHE WOULD MAKE MORE BECAUSE OF COLLINS. DISCUSSION SHOULD OCCUR IF WE SHOULD TELL HER THAT COLLINS IS POINTING A FINGER AT HER FOR STEALING THE

SOURCE CODE ETC AND SEE IF SHE GETS DEFENSIVE ABOUT THAT AND POINTS AT WHAT COLLINS TOLD HER TO GET HER TO COME OVER.

695:30 21 Q. Ms. Meyer, when was it that you actually left
695:30 Enron?

695:31

695:31 22 A. March 2000.

695:32

695:32 23 Q. Do you recall exactly what date it was?

695:33

695:33 24 A. My last day, I believe, was March 19th, 2000.

695:34

695:34 25 Q. And why was it that you left?

696:1 1 A. I left for several reasons. I went through a

696:1 lot of

696:2

696:2 2 grueling pain to get things ready for the analyst

696:3 conference,

696:4 3 and it was a lot of work. There was a lot of

696:4 pressure.

696:5 And I

696:6 4 started to watch what was happening at the company

696:6 and

696:7 felt

696:8 5 that, you know, every day you have to get up, you

696:8 have to

696:9 look

696:10 6 that person in the face and say, I know who they

696:10 are. I

696:11

696:11 7 didn't feel that way anymore, so I decided to leave.

696:12

HERE SHE LIES AGAIN ABOUT THE EXIT INTERVIEW WITH HIRKO AND SHE SAYS JIM IRVINE WAS WITH HER. SO WE NEED TO SEE IF IRVINE WANTS TO PROTECT HER OR NOT. ALSO WE NEED TO LOOK AT THE 302 OF BOTH MERY AND IRVINE TO SEE IF THIS IS WHAT THEY SAY EARLY ON. BOTH WENT TO WORK WITH COLLINS SO BOTH TOUGHT THEY WERE GOING TO MAKE A BUNDLE BECAUSE OF THE IPO SO THAT IS WHY THEY LEFT.

696:23

696:23 17 A. March 19th, 2000.
696:24
696:24 18 Q. Were you alone or with somebody else?
696:25
696:25 19 A. Jim Irvine was present.
696:26
696:26 20 Q. Was Jim Irvine also leaving the company?
696:27
696:27 21 A. Yes.
696:28
696:28 22 Q. What did Joe Hirko ask you when you came into
696:29 his
696:29 office?
696:30
696:30 23 A. He asked me why I was resigning.
696:31
696:31 24 Q. What did you tell him?
696:32
696:32 25 A. I said that I no longer wanted to work for the
696:33 people
696:34 at
697:1 1 Enron; that I didn't trust them; that I felt that
697:1 ethically
697:2
697:2 2 that they were compromised and that -- that the
697:3 behaviors
697:3 of
697:4
697:4 3 the individuals that I was working with was not only
697:5
697:5 4 unethically, but felt somewhat illegal.
697:6
697:6 5 Q. What was Mr. Hirko's response?
697:7
697:7 6 A. I could see how you could feel that way.
697:8
697:8 7 Q. Did he ask you to stay?
697:9
697:9 8 A. Yes.
697:10
697:10 9 Q. What did he say?
697:11
697:11 10 A. He asked if I could stay and just vest, you
697:12 know --
697:12 wait
697:13

697:13 11 to see if things got better.
697:14
697:14 12 Q. Do you remember a quote, exactly what he said?
697:15
697:15 13 A. Yes.
697:16
697:16 14 Q. What did he say?
697:17
697:17 15 A. The term was: Can you vest in peace?
697:18
697:18 16 Q. And --
697:19
697:19 17 THE COURT: I'm sorry. What?
697:20
697:20 18 THE WITNESS: Vest in peace.
697:21
697:21 19 THE COURT: Vest in peace.
697:22
697:23 20 THE WITNESS: Yeah.
697:24
697:25 21 THE COURT: Okay.
697:26
697:27 22 BY MR. STRICKLIN:
697:28
697:29 23 Q. What does that mean, to vest in peace?
697:30
697:31 24 A. Means sit, wait, you know, don't be
697:32 controversial and
697:33
697:34 25 wait until my next vesting schedule in June 2000.
698:1 1 Q. And if you had waited three or four more
698:1 months, to
698:2 June
698:3 2 2000, would that have made a difference to you
698:3 financially?
698:4
698:4 3 A. Yes.
698:5
698:5 4 Q. How much money could you have made if you had
698:6 waited
698:6 just
698:7
698:7 5 those few months and taken Mr. Hirko up on his
698:8 advice?
698:9 6 A. Between 4 and \$500,000.
698:10 7 Q. Did you do that?

698:11 8 A. No.
698:12 9 Q. Did you -- because of that, did you not vest
698:12 and make
698:13
698:13 10 that money?
698:14
698:14 11 A. No, I did not. I lost those options and
698:15 everything
698:16 12 beyond what I was already granted.

PER SETS HER UP THAT THE VIDEO SHE MADE WAS TRUTHFUL AND SHE
KNEW IT COULD BE SHOWN TO THE PUBLIC AND ANALYSTS SO IT HAD TO
BE TRUE.

702:12 MR. RAMFJORD: Right now I'd like to show
702:13 you a
702:13 clip
702:14
702:14 12 from this.
702:15
702:15 13 (Playing video.)
702:16

JUMPS FOR TECHNOLOGY PROBLEM AND THEN CONTINUES

702:29 23 (Playing video.)
702:30
702:31 24 BY MR. RAMFJORD:
702:32
702:33 25 Q. Did you, in fact, love to work at the company
702:34 at that
703:1 1 time?
703:2 2 A. I loved to work on the technology that I was
703:2 doing at
703:3
703:3 3 Enron, yes.
703:4
703:4 4 Q. Did you, in fact, believe that you were six
703:5 months to
703:5 a
703:6
703:6 5 year ahead of the competition as you said in that
703:7 statement?
703:8 6 A. Yes.
703:9 7 Q. And did you, in fact, believe that you had come

703:9 an
703:10
703:10 8 amazingly long way between March to the time you
703:11 gave this
703:12 9 interview in terms of the technology?
703:13 10 A. Yes. We actually had something that was
703:13 working;
703:14
703:14 11 whereas, in March there was nothing that was
703:15 working.
703:16 12 Q. I would like to show you a second clip from
703:16 that
703:17
703:17 13 interview.
703:18
703:18 14 (Playing video.)
703:19
703:19 15 BY MR. RAMFJORD:
703:20
703:20 16 Q. Again, you loved what you were doing?
703:21
703:21 17 A. Yes. I was working on the Media Cast
703:22 technology, and
703:22 I
703:23
703:23 18 enjoyed working with the engineers and what I was
703:24 doing.
703:25 19 Q. You believed that you were going to change the
703:25 way
703:26 things
703:27 20 were done?
703:28 21 A. Yes. We had completed the satellite uplink for
703:28 Media
703:29
703:29 22 Cast and so that was the first time any streaming
703:30 video
703:30 had
703:31
703:31 23 been done over satellite.
703:32
703:32 24 Q. Let me show you one other clip.
703:33
703:34 25 (Playing video.)
704:1 1 BY MR. RAMFJORD:
704:2 2 Q. You said there that people here are really
704:2 driven to

704:3 do
704:4 3 the right thing.
704:5 4 Did you believe that at the time?
704:6 5 A. I believe that the engineers that I worked with
704:6 were
704:7
704:7 6 driven to do the right thing.
704:8
704:8 7 Q. You didn't confine your answer there to the
704:9 engineers,
704:10 8 did you?
704:11 9 A. Yes, I did. If you look back -- if you rewind
704:11 it, it
704:12
704:12 10 says the people I work with on the Media Cast
704:13 product and
704:13 the
704:14
704:14 11 engineers that I work with do the right thing.
704:15
704:15 12 Q. You said in that statement that you believe
704:16 that they
704:16 are
704:17
704:17 13 trying to move all of the products forward, correct?
704:18
704:18 14 A. Yes.
704:19
704:19 15 Q. That was true at the time?
704:20
704:20 16 A. Yes. There were the engineering steering
704:21 committees
704:22 17 where we were doing product reviews, assessing the
704:22 risk,
704:23 and
704:24 18 trying to correct the problems.
704:25

PER DOES A GREAT JOB OF GETTING HER TO ADMIT THERE MAY NOT BE A STANDARD DEFINITION OF INTELLIGENCE BUT SHE SAYS HER VERSION IS THE CORRECT ONE . THEN HE TRIES TO GET HER TO DEFINE QOS AS A VARIABLE AND SHE SAYS NO THERE IS ONLY ONE DEFINITON AND IT IS ROUTER CONTROL LIKE THE CISCO ROUTER BOOKS SAY AND NO OTHER DEFINITIONS. THE POWERPOINT SHE SAVES, THE EMAILS ABOUT DEFINING QOS, THE KIRK WRIGHT STUFF AND ANYTHING THAT SHOWS QOS 1, 2 AND 3 AND DEFINES THEM AND SHE IS COPIED ON THEM.

THIS IS ONE OF HER BIG LIES

705:26 21 Q. All right. Let me show you one final -- I want

705:26 to

705:27 ask

705:28 22 one other question.

705:29 23 You testified there were situations where

705:29 people

705:30

705:30 24 were saying things that you didn't believe were

705:31 true,

705:32 correct?

705:33

705:34 25 A. Yes.

706:1 1 Q. I want to show you one other video clip from

706:1 your

706:2

706:2 2 interview. And you start out by talking about

706:3 broadcasting

706:4 3 simultaneous streams.

706:5 4 (Playing video.)

706:6 5 BY MR. RAMFJORD:

706:7 6 Q. Did the company take a great deal of pride in

706:7 doing

706:8

706:8 7 exactly what it said it could do?

706:9

706:9 8 A. I took a great deal of pride in doing what I

706:10 said it

706:11 9 would do.

706:12 10 Q. That statement, you used the term "we," didn't

706:12 you?

706:13

706:13 11 A. We, being the engineering team that I worked

706:14 with and

706:14 the

706:15

706:15 12 network engineers that we worked with, yes.

706:16

706:16 13 Q. Now, you talked a lot on your direct

706:17 examination

706:17 about

706:18

706:18 14 the term "intelligence."

706:19
706:19 15 Do you recall that?
706:20
706:20 16 A. Yes.
706:21
706:21 17 Q. And the term "intelligence" is not a term that
706:22 I can
706:22 look
706:23
706:23 18 up in a standard network engineering kind of a
706:24 textbook,
706:24 is
706:25
706:25 19 it?
706:26
706:26 20 A. No.
706:27
706:27 21 Q. In fact, it's the kind of term that doesn't
706:28 have a
706:29 22 standard definition in the industry, does it?
706:30 23 A. No.
706:31 24 Q. It's essentially a marketing term, isn't it?
706:32 25 A. Yes. It was a marketing term that was defined
706:33 by
706:34 Enron
707:1 1 in the press releases.
707:2 2 Q. And so, it really meant whatever Enron meant it
707:2 to
707:3 mean
707:4 3 in those press releases, correct?
707:5 4 A. Yes.
707:6 5 Q. You testified -- and your testimony today that
707:6 the
707:7
707:7 6 network didn't have intelligence is based on the
707:8 definition of
707:9 7 intelligence as you understood it, correct?
707:10 8 A. The -- my testimony was based on how I
707:10 understood it?
707:11
707:11 9 Q. Right.
707:12
707:12 10 A. No. My testimony was based on what was told to
707:13 me
707:13 when I
707:14

707:14 11 interviewed with the company and how it was defined
707:15 in the
707:16 12 collateral and the information that was provided to
707:16 me
707:17 while I
707:18 13 was an Enron employee.
707:19 14 Q. You said the definition of intelligence, I
707:19 believe,
707:20
707:20 15 was -- that it made a couple of assumptions, that it
707:21 was a
707:22 16 self-managing, self-healing network with QoS,
707:22 automated
707:23
707:23 17 billing and monitoring or metering, correct?
707:24
707:24 18 A. Yes.
707:25
707:25 19 Q. Can you identify, as you sit today, a document
707:26 that
707:26 you
707:27
707:27 20 saw at the time that included all of those things in
707:28 what
707:28 was
707:29
707:29 21 defined as intelligence for the EIN?
707:30 22 A. Oh, I couldn't give you a specific document. I
707:30 know
707:31 that
707:31 23 we have requirement documents that were written for
707:32 the
707:32 24 products as well as the network. There was
707:33 information
707:33 that
707:34 25 was provided about the InterAgent technology, the
707:34 bandwidth
708:1 1 provisioning, and all the press releases that were
708:1 given
708:2 to
708:3 2 me.
708:4 3 Q. All right. Those documents, those engineering
708:4 documents
708:5
708:5 4 didn't twine the term in tell generals did they?
708:6

708:6 5 A. No. They defined the requirements of the
708:7 product.
708:8 6 Q. Right.
708:9 7 And by the product, you mean Media Cast,
708:9 Media
708:10
708:10 8 Transport?
708:11
708:11 9 A. Yes. Those are the two I am familiar with.
708:12
708:12 10 Q. And so, they didn't define what intelligence
708:13 meant
708:13 for
708:14
708:14 11 purposes of marketing, did they?
708:15
708:15 12 A. I'm sorry. I don't understand.
708:16
708:16 13 Q. They didn't define intelligence for purposes of
708:17
708:17 14 marketing, what the marketing people meant when they
708:18 used
708:18 the
708:19
708:19 15 term "intelligence"?
708:20
708:20 16 A. The definition of intelligence in the marketing
708:21
708:21 17 collateral was stated pretty specifically in the
708:22 press
708:23 18 releases. I didn't define that on their behalf, no.
708:24 19 Q. And you used definitions today of the term
708:24 quality of
708:25
708:25 20 service as well, right?
708:26
708:26 21 A. Yes.
708:27
708:27 22 Q. And, again, quality of service is a term that
708:28 can
708:28 mean
708:29
708:29 23 different things to different people, isn't it?
708:30
708:30 24 A. To be perfectly honest, I believe quality of
708:31 service

708:31 is
708:32
708:32 25 actually defined by a networking standard that you
708:33 can
708:34 look in
709:1 1 the Cisco Internet working book that helps --
709:2 2 THE COURT: Please slow down. Please slow
709:2 down.
709:3
709:3 3 A. So, to be honest, I think quality of service,
709:4 if I
709:4 pulled
709:5
709:5 4 out one of my Cisco books that you read, the
709:6 definition of
709:7 5 quality of service is actually defined in the
709:7 industry as
709:8 to
709:9 6 what that means.
709:10 7 BY MR. RAMFJORD:
709:11 8 Q. Sure. There's a definition of quality of
709:11 service
709:12 that
709:13 9 applies to a router and router-based technology,
709:13 isn't
709:14 there?
709:15 10 A. Yes.
709:16 11 Q. And you're aware that the company, ECI,
709:16 intended to
709:17 use a
709:18 12 different kind of QoS that was based on software
709:18 applications,
709:19
709:19 13 correct?
709:20
709:20 14 A. Yes.
709:21
709:21 15 Q. And so, the definition that ECI itself used was
709:22 not
709:22 the
709:23
709:23 16 definition of QoS that appears in Cisco manuals, was
709:24 it?
709:25 17 A. No. Because -- could you --
709:26 18 Q. The definition that ECI used because it was
709:26 developing

709:27
709:27 19 software based QoS was not the same as the
709:28 definition of
709:28 QoS
709:29 20 that appears in Cisco manuals, was it?
709:29 21 A. No. I don't believe that I agree with you.
709:30 The way
709:30 you
709:31 22 are phrasing it, I don't know that I understand it.
709:31 23 The quality of service for the industry is
709:32 quality
709:32 24 of service. Whether you use software to do it or
709:33 using a
709:33 25 Cisco router, quality of service means quality of
709:34 service.
709:34 I
710:1 1 don't know if we were trying to redefine quality of
710:1 service.
710:2
710:2 2 I don't presume that that's what the marketing team
710:3 was
710:3 doing.
710:4
710:4 3 We used an industry standard term; and we were
710:5 talking to
710:6 4 technical people, quality of service, quality of
710:6 service.
710:7
710:7 5 Q. Do you remember that Stan Hanks, the vice
710:8 president
710:8 of
710:9
710:9 6 engineering, prepared a paper entitled "Redefining
710:10 QoS"
710:10 that
710:11
710:11 7 was given out at the NAB conference?
710:12
710:12 8 A. No. I did not receive a copy of that.
710:13
710:13 9 Q. So, you didn't see that report?
710:14
710:14 10 A. No.
710:15
710:15 11 Q. And you are not aware of the fact that that
710:16 report

710:17 12 suggests that the company is redefining QoS to mean
710:17 --

NOW SHE IS TRYING TO SAY THAT A 56K LOCAL LOOP TO THE INTERNET IS THE SAME AS A 56K CONNECTION VIA AN EPOWERED ISP POP AND NO BETTER QOS, ALSO SHE IS NOT WILLING TO ACKNOWLEDGE THE EDGE SERVER CONCEPT NOR THE DEDICATED BACKBONE CONCEPT AS SUPERIOR ARCHITECTURE OR HIGHER QOS. PER GETS HER TO BE VERY WISHY WASHY BUT HE CANNOT NAIL HER BECAUSE SHE IS SO SLIPPERY.

WE NEED TO FIND SOME EMAIL, VIDEO OR PPT TO TIE HER TO THAT SHOWS SHE DID UNDERSTAND THESE CONCEPTS, AGREED WITH THEM AND WAS THEREFORE NOT BEING HONEST ON THE STAND.

KIRK WRIGHT PRESENTATIONS AND TESTIMONY COULD HELP.

ALSO NAIL HER ON THE DEDICATED BACKBONE THAT WAS NOT OVERSUBSCRIBED AND SHE KNEW IT AND THAT WAS MUCH BETTER THAN THE INTERNET. I THINK HER VIDEO WILL HELP.

712:17 14 Q. Now, I want to back up in time a bit.

712:18

712:18 15 You arrived at the company in March of

712:19 1999; is

712:19 that

712:20

712:20 16 right?

712:21

712:21 17 A. Yes.

712:22

712:22 18 Q. So, you were not present at the company when it

712:23

712:23 19 formulated its original plan or its original

712:24 strategy,

712:24 were

712:25

712:25 20 you?

712:26

712:26 21 A. No.

712:27

712:27 22 Q. And even though you weren't involved in

712:28 actually

712:29 23 formulating the strategy, you were aware that the

712:29 company

712:30 was

712:31 24 focused on streaming video to Internet users with a

712:31 higher
712:32
712:33 25 quality of picture than was available over the
712:34 Internet
713:1 1 itself, right?
713:2 2 A. Yes. I was aware that they were doing
713:2 streaming
713:3 video.
713:4 3 There were five products originally defined, and
713:4 Media
713:5 Cast
713:6 4 was Product 3. Media Transport being Product 2 were
713:6 the
713:7 ones
713:8 5 I was familiar with that they spoke to me about when
713:8 I was
713:9
713:9 6 interviewed.
713:10
713:10 7 Q. By the time you came to the company, the
713:11 company had
713:12 8 already decided to focus primarily on those two
713:12 products,
713:13
713:13 9 Media Cast and Media Transport, correct?
713:14
713:14 10 A. There was a third product which was Product 5,
713:15 which
713:15 was
713:16
713:16 11 videoconferencing. Those were the three that were
713:17 being
713:18 12 focused on at that time.
713:19 13 Q. But the primary attention was on the two, Media
713:19 Cast
713:20 and
713:21 14 Media Transport, wasn't it?
713:22 15 A. Yes.
713:23 16 Q. And just to back up, in late 1998 and early
713:23 1999, the
713:24
713:24 17 Internet was not well-suited to transmitting or
713:25 broadcasting
713:26 18 video, was it?
713:27 19 A. I don't know that I could agree with that
713:27 statement.

713:28 I
713:29 20 can say that the Internet was capable of streaming
713:29 video.
713:30 It
713:30 21 really depended on what you wanted to see because
713:31 there
713:31 were
713:32 22 events that did occur in '98 and '99, that streaming
713:32 happened
713:33 23 on the Internet.
713:33 24 Q. Well, the Internet has on it certain congestion
713:34 points,
713:34 25 may east, may west, et cetera; is that right?
714:1 1 A. Yes, there are congestion points.
714:2 2 Q. The Internet, because of those congestion
714:2 points, if
714:3
714:3 3 video is transmitted across the Internet, you can
714:4 lose
714:4 packets
714:5
714:5 4 or they can be delayed and you can end up with that
714:6
714:6 5 herky-jerky style picture that you were talking
714:7 about
714:7 earlier,
714:8
714:8 6 right?
714:9
714:9 7 A. Yes.
714:10
714:10 8 Q. That is called jitters sometimes, isn't it?
714:11
714:11 9 A. Yes. That's a common term.
714:12
714:12 10 Q. And sometimes the picture might not be synced
714:13 up with
714:13 the
714:14
714:14 11 voice, as you said, correct?
714:15
714:15 12 A. Yes.
714:16
714:16 13 Q. And that's also a consequence in part of this
714:17 kind of
714:18 14 congestion as the light signals travel across the

714:18 Internet,
714:19
714:19 15 correct?
714:20
714:20 16 A. When I refer to the voice and audio, I referred
714:21 to a
714:22 17 specific instance with the Media Transport. I don't
714:22 know
714:23 that
714:24 18 relates to Internet streaming.
714:25 19 Q. But Internet streaming can result in poor
714:25 quality
714:26 video
714:27 20 that is demonstrated in part by a lack of syncing
714:27 between
714:28
714:28 21 voice and the picture, correct?
714:29
714:29 22 A. Could you say that again? I'm trying to make
714:30 sure I
714:31 23 understand exactly what you say.
714:32 24 Q. Internet -- using the Internet for video
714:32 streaming
714:33 can
714:34 25 result in a poor quality image, correct?
715:1 1 A. It really depends.
715:2 2 Q. In the 1998, 1999 time frame, isn't it fair to
715:2 say
715:3 that
715:4 3 using the Internet alone would result in a poorer
715:4 quality
715:5
715:5 4 picture than using a Media Cast system?
715:6
715:6 5 A. I couldn't agree with that, no.
715:7
715:7 6 Q. If the Media Cast system streamed content from
715:8 an
715:8 edge
715:9
715:9 7 server that was closer to the end user, it would
715:10 result in
715:10 a
715:11
715:11 8 higher quality picture, wouldn't it?
715:12

715:12 9 A. Not necessarily. The thing that you're asking
715:13 me
715:13 about
715:14
715:14 10 is whether or not the physical server being close to
715:15 me,
715:15 kind
715:16
715:16 11 of like you and I are here, if that makes a
715:17 difference.
715:17 And
715:18
715:18 12 it doesn't, because if I still give 56K stream, it's
715:19 a 56K
715:20 13 stream. The experience is the exact same thing as
715:20 if I
715:21 was
715:22 14 sitting in AOL across 50 routers in that there is no
715:23 15 difference.
715:24 16 Q. Okay. I agree with that.
715:25 17 Suppose we have the same type of
715:25 connection to
715:26 the
715:26 18 Internet, say you have a Broadband connection to the
715:27 Internet?
715:27 19 A. Uh-huh.
715:28 20 Q. And you are talking about packets that are
715:28 traveling
715:29 all
715:29 21 the way across the Internet to an end user versus
715:30 traveling
715:30 22 across the EIN to a server that is located closer to
715:31 the
715:31 end
715:32 23 user.
715:32 24 Isn't it the case that the packets that go
715:33 over
715:33 the
715:34 25 EIN to a server that's closer to the end user are
715:34 going to
716:1 1 result in a better picture than packets that just
716:1 travel
716:2 all
716:3 2 the way across the Internet through the congestion
716:3 points
716:4 on

716:5 3 the Internet?
716:6 4 A. I couldn't guarantee that because I actually
716:6 used an
716:7
716:7 5 Internet connection to watch countrycool.com and it
716:8 worked
716:9 6 fine. Congestion is relative based on time of day,
716:9 based
716:10 on
716:11 7 how the subscriber set up their network. Even if
716:11 you are
716:12 one
716:13 8 hop away, they could have congestion in a local
716:13 provider
716:14 and
716:15 9 could maybe have a bad experience even though the
716:15 server
716:16 is in
716:17 10 that ISP or they could have a good experience. The
716:17 experience
716:18
716:18 11 is really up to the networks that I interconnect
716:19 with to
716:19 watch
716:20
716:20 12 the videos. So, if that network is doing well,
716:21 things
716:21 will be
716:22
716:22 13 okay. If that network is doing poorly, things will
716:23 be
716:23 viewed
716:24
716:24 14 poorly.
716:25
716:25 15 Q. On average, you can't even say that there's any
716:26 16 difference whatsoever?
716:26 17 A. I'm not an Internet statistician on that one.
716:27 I
716:27 think
716:28 18 the service providers would be able to tell how
716:28 things
716:29 would
716:29 19 happen in their own environment. I can tell you
716:30 that it
716:30 could

716:31 20 get there; that the experience, as long as there's
716:31 no
716:32 21 congestion, you know, both users could have the same
716:32 22 experience.
716:33 23 Q. They could have the same experience, but the
716:33 Internet
716:34 24 user could have a much worse experience if there was
716:34 25 congestion, right?
717:1 1 A. If congestion is present on either of those
717:1 networks,
717:2
717:2 2 either person can have a bad experience.
717:3
717:3 3 Q. And isn't it fair to say that congestion is
717:4 more
717:4 likely
717:5
717:5 4 on the Internet, because there are more PoPs that
717:6 something
717:7 5 has to go through than it would be -- than would be
717:7 the
717:8 case
717:9 6 on the EIN going to the edge server near the end
717:9 user and
717:10 ISP
717:11 7 partner?
717:12 8 A. Right. There's more moving parts for Internet
717:12 users
717:13 than
717:14 9 somebody who was an ISP partner.
717:15 10 Q. So, congestion is more likely to occur where
717:15 there
717:16 are
717:17 11 moving parts?
717:18 12 A. It is possible, yes.
717:19 13 Q. Now, you understood part of the business plan
717:19 when
717:20 you
717:21 14 joined it was to provide a better streaming video
717:21 streaming
717:22
717:22 15 platform than the Internet, correct?
717:23
717:23 16 A. Yes.
717:24
717:24 17 Q. You understood that the company planned to do

717:25 that
717:26 18 through a number of different mechanisms, I take it?
717:26 Is
717:27 that
717:28 19 fair to say?
717:29 20 A. Could you expand on that a little bit?
717:30 21 Q. Sure. One of the things the company planned to
717:30 do
717:31 was to
717:32 22 have a private backbone network that would allow it
717:32 to
717:33 23 transmit data or to bypass the congestion points of
717:33 the
717:34 24 Internet, correct?
717:34 25 A. Yes.
718:1 1 Q. And another thing the company planned to do is
718:1 to
718:2 have a
718:3 2 distributed server architecture, correct?
718:4 3 A. Yes. That's why they brought me in.
718:5 4 Q. Right. And the distributed server architecture
718:5 provides
718:6
718:6 5 benefits by locating the content closer to the end
718:7 user,
718:8 6 correct? That's the theory?
718:9 7 A. Well, I guess I have to agree with a portion of
718:9 what
718:10 you
718:11 8 just said. Distributed server architecture allows
718:11 you to
718:12
718:12 9 distribute the content. That doesn't necessarily
718:13 mean it
718:13 is
718:14
718:14 10 closer to the user.
718:15
718:15 11 Q. It doesn't mean it is closer to the user if the
718:16 user
718:16 is
718:17
718:17 12 hooked up to AOL, as you put it earlier, right, or a
718:18 large
718:19 13 Internet service provider? May have customers all
718:19 over

718:20 the
718:21 14 United States?
718:22 15 A. Right. So, when I say distributed server
718:22 architecture,
718:23
718:23 16 it makes sure the data is distributed. I can't
718:24 guarantee
718:24 that
718:25
718:25 17 if you came and asked for a stream, that you got to
718:26 the
718:27 18 closest server, especially if you were an Internet
718:27 user,
718:28 we
718:29 19 would just put you to a server that was available
718:29 and the
718:30 20 least loaded.
718:30 21 Q. You understood that part of the company's plan
718:31 at
718:31 this
718:32 22 time was to enter into partnerships with local ISP
718:32 providers,
718:33 23 correct?
718:33 24 A. Yes.
718:34 25 Q. And to install servers in those local ISP
718:34 providers'
719:1 1 PoPs, correct?
719:2 2 A. Yes.
719:3 3 Q. Some of those local ISPs like Easy Street that
719:3 you
719:4
719:4 4 mentioned in Portland are connected to people who
719:5 are
719:6 5 relatively close by, aren't they?
719:7 6 A. Yes.
719:8 7 Q. Easy Street doesn't serve people all over the
719:8 United
719:9
719:9 8 States, does it?
719:10
719:10 9 A. No, they do not.
719:11
719:11 10 Q. So, if somebody is hooked up to Easy Street and
719:12 they
719:12 are
719:13

719:13 11 getting data from the server that is in the Easy
719:14 Street
719:14 ISP
719:15
719:15 12 PoP, they're going to end up with a better quality
719:16 picture,
719:17 13 aren't they?
719:18 14 A. Like I said, I can't guarantee that. I can
719:18 make sure
719:19
719:19 15 they are at that server. But if Easy Street is
719:20 having any
719:21 16 network problems, routing issues, or congestion,
719:21 they will
719:22
719:22 17 experience -- could be even a more degraded
719:23 performance
719:23 than
719:24
719:24 18 an Internet user.
719:25
719:25 19 Q. Sure, it could be. But the purpose to the
719:26 design
719:26 here of
719:27
719:27 20 this distributed server architecture and the ISP
719:28 provider's
719:29 21 PoPs is to provide a better quality picture, isn't
719:29 it?
719:30
719:30 22 A. You are focusing on the word "picture." So, I
719:31 guess
719:31 23 that's where -- we're saying two separate things.
719:32 We can
719:32 24 ensure that the stream that the user selects, they
719:33 can get
719:33 25 that stream from that local server. What that
719:34 user's end
719:34 user
720:1 1 experience is and what the picture looks like when
720:1 they
720:2 click
720:3 2 on that, that's not a guarantee.
720:4 3 Q. But for people with the same level of
720:4 connectivity, a
720:5

720:5 4 person who has a 300K connection --
720:6
720:6 5 A. Right.
720:7
720:7 6 Q. -- a person who is connected to the ISP PoP at
720:8 Easy
720:9 7 Street with a 300K connection, on average, is going
720:9 to get
720:10 a
720:11 8 better picture than a person who is connected with a
720:11 300K
720:12
720:12 9 picture to the Internet?
720:13
720:13 10 A. I can't answer that. I wouldn't know. I mean,
720:14 you
720:14 are
720:15
720:15 11 asking me to average and know, you know, whether the
720:16 Internet
720:17 12 is congested today and what the average congestion
720:17 rates
720:18 of
720:19 13 the Internet versus the average congestion rates of
720:19 Easy
720:20
720:20 14 Street --
720:21
720:21 15 Q. Uh-huh.
720:22
720:22 16 A. -- I really can't answer that.
720:23
720:23 17 Q. Are you saying that there really was no intent
720:24 in
720:24 putting
720:25
720:25 18 together this distributed server architecture to try
720:26 to
720:27 19 improve the quality of the image and the data flow
720:27 to the
720:28 end
720:28 20 user?
720:29 21 A. The intent was to ensure that we had a
720:29 distributed
720:30 model;
720:30 22 that users interlocal ISP can receive streams

720:31 locally.
720:31 23 Q. There was no connection between that and the
720:32 idea of
720:32 24 improving the picture or the image that people would
720:33 get
720:33 25 relative to what they could get with the same
720:34 connection
720:34 speed
721:1 1 on the Internet?
721:2 2 A. The intent was to improve their experience by
721:2 using
721:3 that
721:4 3 distributed server locally.
721:5 4 Q. It would improve their experience because
721:5 relative to
721:6 the
721:7 5 Internet, they have the same level of connection, on
721:7 average
721:8
721:8 6 they get a better image quality?
721:9
721:9 7 A. We are back to that average thing again, and I
721:10 can't
721:11 8 answer that. I could say that the intent was that
721:11 we
721:12 wanted
721:13 9 to get into the local server, so they could stream
721:13 from
721:14 that
721:15 10 local server. And if there's no congestion, they
721:15 should
721:16 have
721:17 11 a good experience.
721:18 12 Q. A better experience than the Internet?
721:19 13 A. They should have a good experience.
721:20 14 Q. Now, the third element of this plan was to
721:20 develop
721:21
721:21 15 software that would help make this network work
721:22 together
721:22 in a
721:23
721:23 16 way that would allow for the distribution of content
721:24 in a
721:24 more
721:25

721:25 17 effective way than the Internet, correct?
721:26
721:26 18 A. Yes.

NOW SHE IS GOING TO LIE ABOUT NOT KNOWING THE COMPANY PLAN OF IMPLEMENTING THINGS IN PHASES.

SHE STOPS AT SAYING SHE WAS NOT INVOLVED WITH PLANNING OR THE FIBER NETWORK BUT ONLY MEDIA CAST SO HER KNOWLEDGE IS LIMITED TO MEDIA CAST.

STOPS AT TRYING TO GET A KIRK WRIGHT PRESENTATION IN FRONT OF HER.

721:27 19 Q. Now, were you aware that the company planned to
721:28 implement
721:29 20 this plan in phases?
721:30 21 A. No.
721:31 22 Q. Is it common in the high-tech industry to
721:31 implement
721:32
721:32 23 things in phases?
721:33 24 A. Yes.
721:33 25 Q. You come out with a first version of a product,
721:34 then
721:34 a
722:1 1 second version that's better, then a third version
722:1 that's
722:2
722:2 2 better?
722:3
722:3 3 A. Yes.
722:4
722:4 4 Q. In fact, with Media Cast, there was a first
722:5 version
722:5 of
722:6
722:6 5 Media Cast, then a second version, and then they
722:7 continued
722:7 to
722:8
722:8 6 work on other versions?
722:9
722:9 7 A. Yes.
722:10

722:10 8 Q. And on the network side in this company, are
722:11 you
722:11 aware
722:12
722:12 9 that the company planned to start by having a leased
722:13 fiber
722:14 10 network and then constructing its own fiber network
722:14 and
722:15 then
722:16 11 eventually transferring traffic to that fiber
722:16 network?
722:17
722:17 12 A. I didn't work on the network, so I wouldn't be
722:18 able
722:18 to
722:19
722:19 13 answer that.
722:20
722:20 14 Q. You didn't know what was going on with the way
722:21 it was
722:22 15 being built out?
722:23 16 A. No. That was not my area of expertise.
722:24 17 Q. On the software side, were you aware that the
722:24 company
722:25
722:25 18 planned to start by deploying services like Media
722:26 Cast and
722:27 19 Media Transport to jump start the business, to get
722:27 interest in
722:28 20 this kind of video streaming model that they were
722:28 trying
722:29 to
722:29 21 develop?
722:30 22 A. I was aware they were working to implement
722:30 Media Cast
722:31 and
722:31 23 Media Transport.
722:32 24 Q. And were you aware that the plan was to
722:32 eventually
722:33 build
722:33 25 on those capabilities and make them available to
722:34 third
722:34 parties
723:1 1 through application programming interfaces?
723:2 2 A. Could you repeat that again?
723:3 3 Q. Sure. Were you aware that the plan at the time

723:3 was
723:4 to
723:5 4 take these basic capabilities like Media Cast and
723:5 Media
723:6
723:6 5 Transport, build them into an overall operating
723:7 system
723:7 that
723:8
723:8 6 could be accessed by third parties, other companies
723:9 who
723:9 are
723:10
723:10 7 developing software through application programming
723:11
723:11 8 interfaces?
723:12
723:12 9 A. I'm vaguely aware of that, but I couldn't give
723:13 you
723:13 any
723:14
723:14 10 details related to that.
723:15
723:15 11 Q. So, you weren't familiar with that level of
723:16 planning
723:17 12 within the company?
723:18 13 A. I was familiar with the Media Cast product and
723:18 the
723:19 Media
723:20 14 Cast planning and the implementation and the 1 dot
723:20 oh, the
723:21 2
723:22 15 dot oh, the 3 dot oh that you referred to, so I was
723:22 involved
723:23
723:23 16 in Media Cast planning.
723:24
723:24 17 Q. Sure. But you weren't involved in the planning
723:25 for
723:25 the
723:26 18 overall operating system that was taking place in
723:26 the 1999
723:27 19 time frame -- or 1998 time frame, for that matter,
723:27 before
723:28 you
723:28 20 came to the company?

723:29 21 A. I was never involved in anything before I came
723:29 to the
723:30 22 company, I can say that.
723:30 23 Q. Were you also aware that the goal here was
723:31 eventually
723:31 to
723:32 24 create a sort of standard in the industry, an
723:32 operating
723:33 system
723:33 25 standard that lots of other companies would be able
723:34 to
723:34 develop
724:1 1 software to?
724:2 2 A. Yes. I remember hearing about that.
724:3 3 Q. And you are aware that the process of
724:3 standardization
724:4 in
724:5 4 an industry like this is one that takes a lot of
724:5 time,
724:6 isn't
724:7 5 it?
724:8 6 A. Yes.
724:9 7 Q. And anyone in the industry knows that this
724:9 process of
724:10
724:10 8 standardization is going to take a lot of time,
724:11 right?
724:12 9 A. Yes. You have to be able to demonstrate that
724:12 you
724:13 have
724:14 10 something that works and that can be then programmed
724:14 to.
724:15
724:15 11 Q. Not only do you have to develop something that
724:16 works,
724:16 but
724:17
724:17 12 you have to convince other major parties in the
724:18 industry
724:18 that
724:19
724:19 13 it's the best way to do something or at least the
724:20 most
724:21 14 predominant way to do something?
724:22 15 A. Yes.
724:23 16 Q. So that they will start to develop their

724:23 software to
724:24 your
724:25 17 operating system as opposed to doing it to something
724:25 else,
724:26
724:26 18 correct?
724:27
724:27 19 A. Yes. That's like asking Microsoft to make some
724:28 changes
724:29 20 to their operating system.
724:30 21 Q. Microsoft is a good example of this because
724:30 they have
724:31 22 become, in essence, the standard operating system in
724:31 the
724:32 PC
724:32 23 world, haven't they?
724:33 24 A. Yes.
724:33 25 Q. And so, other people write applications that
724:34 operate
724:34 off
725:1 1 of Microsoft Windows, correct?
725:2 2 A. Yes.
725:3 3 Q. And that was a battle for a time. We didn't
725:3 know
725:4 whether
725:5 4 Apple was going to win or Microsoft was going to
725:5 win,
725:6 correct?
725:7 5 A. Yeah.
725:8 6 Q. And Microsoft won?
725:9 7 A. Well, some people would say, perhaps, Linux is
725:9 taking
725:10
725:10 8 them on. But I mean, that's a philosophical debate
725:11 right
725:11 now.
725:12
725:12 9 Q. More of a philosophical than a real debate,
725:13 isn't it?
725:14 10 A. No. Actually, Microsoft is also investing in
725:14 Linux.
725:15
725:15 11 It's one of those things that if you're looking at
725:16 the
725:17 12 technology, it ebbs and flows, things move in and
725:17 out and

725:18 what
725:19 13 is the standard today will continue to be a
725:19 standard, but
725:20 a
725:21 14 new predominant player suddenly comes up much like
725:21 Microsoft
725:22
725:22 15 did. It's possible. Not probable right now, but it
725:23 is
725:24 16 possible.
725:25 17 Q. It's possible, but it's the kind of thing that
725:25 would
725:26 take
725:27 18 a number of years to happen?
725:28 19 A. It would take some time, yes.
725:29 20 Q. Now, I want to talk a little bit more about
725:29 some of
725:30 these
725:30 21 products that you talked about earlier. I'd like to
725:31 start
725:31 22 talking about how Media Cast worked. I want to pass
725:32 up
725:32 some
725:33 23 exhibits for you as well.
725:33 24 MR. RAMFJORD: If I can approach the
725:34 witness?
725:34 25 THE COURT: Yes.
726:1 1 BY MR. RAMFJORD:
726:2 2 Q. Do you recall that a gentlemen named Kirk
726:2 Wright was
726:3 the
726:4 3 product manager for Media Cast?
726:5 4 A. Yes.
726:6 5 Q. Do you recall that he gave -- he occasionally
726:6 gave
726:7
726:7 6 presentations on how Media Cast worked for employees
726:8 within
726:9 7 the company?
726:10 8 A. Can you repeat that?
726:11 9 Q. Do you recall that he occasionally gave
726:11 presentations
726:12 to
726:13 10 people within the company on how Media Cast worked?
726:14 11 A. I'm aware that Kirk gave presentations. I
726:14 don't know

726:15 --

726:16 12 I've seen him give a presentation before, yes.

SO PER TRIES TO GET IT IN FRONT OF HER AS A DOCUMENT TO REVIEW.

SHE WILL NOT ADMIT TO SEEING THE DOCUMENT SO MAYBE WE CAN FIND HER IN THE AUDIENCE OR FIND HER IN AN EMAIL WITH A DOCUMENT LIKE THIS BEING COPIED TO HER. THEN WE CAN NAIL HER. IT WOULD BE BEST IF WE COULD FIND AN EMAIL FROM KIRK WRIGHT TOHER BEFORE HE PRESENTS IT SO LETS LOOK IN THE KIRK WRIGHT EMAIL AROUND THIS TIME TO SEE IF SHAWNA IS COPIED.

727:13 9 THE COURT: All right.

727:14 10 MR. STRICKLIN: If she can identify it as

727:14 something

727:15

727:15 11 she has seen before and is familiar with, I will

727:16 withdraw

727:16 my

727:17

727:17 12 objection.

727:18

727:18 13 THE COURT: Let's ask the witness.

727:19

727:19 14 BY MR. RAMFJORD:

727:20

727:20 15 Q. Ms. Meyer, have you seen this presentation

727:21 before?

727:22 16 A. Honestly, no. There's slides, I think, within

727:22 this.

727:23 But

727:24 17 I've never seen this whole presentation.

727:25 18 Q. Without showing them, can you tell me what some

727:25 of

727:26 the

727:27 19 slides that you've seen before are?

727:28 20 A. There's so many. There's slides that look

727:28 familiar,

727:29 like

727:30 21 how does Media Cast work. But they are not the ones

727:30 that

727:31 22 work. And then how does caching work. I haven't

727:31 seen

727:32 this

727:32 23 presentation.

HERE PER GETS HER TO BE WISHY WASHY ON MEDIA CAST TURNING UP SMOOTHLY OR ROCKY AND THEN SHE SAYS EBS DID NOT DEVELOP THE PRODUCT WE BOUGHT IT FROM REAL. WE NEED TO GET THE EMAILS THAT SHOW WE PAID FOR IT AND HELPED THEM DEVELOP IT BETTER AND FOUND ALL SORTS OF PROBLEMS. BLOOMER SAYS THIS IN AN EMAIL IN 2000 BUT MAYBE WE CAN FIND A BETTER ONE EARLIER TO NAIL HER WITH..

ALSO SHE TRIES TO SAY THE VICTORIA SECRET THING WAS NOT A DISASTER AND THAT DREW CAREY COULD NOT BE COMPARED TO IT. BUT SHE DOES COMPARE IT I THINK IN HER VIDEO.

728:16

728:17 process

728:18 15 of bringing it up, relatively smooth or was it a

728:18 rocky

728:19

728:19 16 process?

728:20

728:20 17 A. It was a rocky process.

728:21

728:21 18 Q. Do you recall testifying in front of the grand

728:22 jury

728:22 in

728:23

728:23 19 this matter on the 14th day of November, 2000?

728:24

728:24 20 A. I do remember the grand jury. They kind of

728:25 intimidated

728:26 21 me a bit.

728:27 22 Q. Do you recall being under oath at that time?

728:28 23 A. Yes.

728:29

728:30 24 Q. Do you recall being asked the following

728:31 question and

728:32

728:33 25 giving the following answer: Was the Media Cast

728:34 development

729:1 1 process relatively smooth or would you describe it

729:1 as

729:2 rocky?

729:3 2 How would you characterize it?

729:4 3 ANSWER: It was relatively smooth. Most

729:4 of the

729:5

729:5 4 development was done through Real Networks.

729:6
729:6 5 Is that true?
729:7
729:7 6 A. Yes.
729:8
729:8 7 Q. So, your testimony today that it was a rocky
729:9 process
729:9 was
729:10
729:10 8 not true?
729:11
729:11 9 A. That's why I asked for clarification on the
729:12 development
729:13 10 process.
729:14 11 Q. You didn't have a problem answering that
729:14 question in
729:15 the
729:16 12 grand jury, did you?
729:17 13 A. No. If you ask me how things went from
729:17 developing
729:18 the
729:19 14 product, it went smooth. We bought the product from
729:19 somebody
729:20
729:20 15 else and off it went. You asked the line of
729:21 questioning
729:22 16 you've been asking me about the network, about the
729:22 product,
729:23
729:23 17 about Enron, did it get implemented smoothly, we ran
729:24 into
729:24 some
729:25
729:25 18 issues.
729:26
729:26 19 Q. Was there any difference in the question that I
729:27 asked
729:27 you
729:28
729:28 20 and the question you were asked in the grand jury?
729:29
729:29 21 A. Context.
729:30
729:30 22 Q. Now, you indicated that the sessions with Drew
729:31 Carey
729:31 and

729:32
729:32 23 Country Cool were relative successes; is that right?
729:33
729:33 24 A. Yes. We'd never streamed before, I would call
729:34 that a
729:34 25 success.
730:1 1 Q. You indicated that -- you did say that some
730:1 other
730:2
730:2 2 companies had done this before, didn't you, Victoria
730:3 Secret
730:4 3 you mentioned?
730:5 4 A. Yes.
730:6 5 Q. Victoria Secret was something that was known in
730:6 the
730:7
730:7 6 industry as something of a catastrophe, wasn't it?
730:8
730:8 7 A. Victoria Secret models, so they did run into
730:9 problems
730:10 8 where not everyone could log in. I don't know if
730:10 you
730:11 would
730:12 9 call it a catastrophe. Some of you would say there
730:12 was a
730:13 lot
730:14 10 of demand to watch it.
730:15 11 Q. There was a loss of credibility for
730:15 broadcast.com to
730:16
730:16 12 associate with that event, wasn't there?
730:17
730:17 13 A. I think that people looked at that and said
730:18 that
730:18 there's
730:19
730:19 14 a demand for streaming video on the Internet; and
730:20 the way
730:20 that
730:21
730:21 15 they had done it, they ran into some problems.
730:22
730:22 16 Q. It wasn't as successful as the Drew Carey event
730:23 or
730:23 the
730:24

730:24 17 Country Cool event, was it?
730:25
730:25 18 A. I don't know that you can compare the two. I
730:26 mean,
730:27 19 specifically in the Drew Carey event, we weren't the
730:27 only
730:28 20 providers. So, there was multiple providers to use.
730:28 So,
730:29 if
730:29 21 broadcast.com would have partnered with four other
730:30 people,
730:30 I'm
730:31 22 sure they could have been a success. And the
730:31 Country Cool
730:32 23 event, there wasn't -- no offense to anyone who
730:32 likes
730:33 country
730:33 24 music -- but there wasn't a lot of demand for the
730:34 streaming,
730:34 25 so there was really no problem there.
731:1 1 Q. Well, isn't the fact -- isn't it the case that
731:1 you
731:2 were
731:3 2 excited and thrilled with the success of the Drew
731:3 Carey
731:4 event?
731:5 3 A. Of course, I was. We brought up I think 15,000
731:5 streams
731:6
731:6 4 to participate in that event in a very short period
731:7 of
731:7 time.
731:8
731:8 5 I was very proud of everybody I worked with.
731:9
731:9 6 Q. And that was a big event?
731:10
731:10 7 A. It was a large event. We played a very large
731:11 part.
731:12 8 Q. It was a big event for you and the company,
731:12 wasn't
731:13 it?
731:14 9 A. Yes.
731:15 10 Q. It was a big event for you personally, wasn't
731:15 it?
731:16

731:16 11 A. It was a big event for anyone who was working
731:17 on the
731:18 12 Media Cast product.
731:19 13 Q. And it was widely viewed within the company as
731:19 a
731:20 success,
731:21 14 wasn't it?
731:22 15 A. Yes.
731:23 16 Q. And the people that you talked to were
731:23 enthusiastic
731:24 about
731:25 17 that event, weren't they?
731:26 18 A. Yes.
731:27 19 Q. And people in the company at that time were
731:27 generally
731:28
731:28 20 enthusiastic about the prospects for the Media Cast
731:29 product,
731:30 21 weren't they?
731:31 22 A. Yes.

MEYER IS VERY SLIPPERY AND DID NOT AGREE THAT DISTRIBUTED SERVERS WOULD GIVE A BETTER SERVICE AND DID NOT ACKNOWLEDGE THE CONCEPT OF STATISTICAL PROBABILITY. WE NEED TO NAIL HER ON THIS ONE AS WELL EITHER WITH VIDEO OR WITH EMAILS. THE VIDEO HE PLAYS IS HARD TO KNOW WHICH CLIP AND HOW MUCH HE PLAYED SINCE THERE IS NO TRANSCRIPT. WE NEED TO CHANGE THAT NEXT TIME.

PER TRIES TO GET HER TO ADMIT THAT ECI PAID REAL FOR A CUSTOM VERSION OF THEIR SOFTWARE AND WE GOT IT WORK ON THE SUN SOLARIS OS AND THAT NO ONE ELSE HAD THAT AND SHE GIVES ALL THIS WISHY WASHY STUFF AND THEN ADMITS SHE NEVER READ THE CONTRACT AND DID NOT KNOW WHAT IT SAID. SO SHE IS AN EXPERT ON MEDIA CAST BUT DID NOT EVEN KNOW WHAT ECI PAID REAL TO DO INCLUDING MAKE IT WORK ON SUN SOLARIS OS. PER DID NOT NAIL HER HARD ON THIS POINT BUT JUST MOVES ON. WE NEED TO NAIL HER HARD ON THESE EXAMPLES EARLIER WHERE SHE SAYS SHE IS THE EXPERT AND IT DID NOT EXIST AND THEN SHE ADMITS SHE DOES NOT KNOW SOMETHING LIKE THE DETAILS OF INTERAGENT OR THE DETAILS OF THE REAL CONTRACT. FOR MEDIA CAST.

744:18 Yes.
744:19 Q. So the Media Cast software would be loaded on Media Cast
744:20 servers; correct?
744:21 A. They would be loaded on Sun Microsystem servers.
744:22 Q. Yes, correct, I apologize for that. We have a terminology

744:23 confusion going on here. There were certain Sun servers that
744:24 were used for the Media Cast service; correct?
744:25 A. Yes.
745:1 Q. And assuming that we call those the Media Cast servers,
745:2 then they would be loaded with the Media Cast software; right?
745:3 A. Yes. I'm with you now.
745:4 Q. You're with me, okay.
745:5 And there were some servers that were used in some
745:6 Beta testing programs of the Media Transport product; correct?
745:7 A. Yes.
745:8 Q. And those servers would be loaded with the Media Transport
745:9 software; correct?
745:10 A. Yes.
745:11 Q. And to the extent that InterAgent was incorporated with
745:12 the Media Transport, it would be loaded on those servers as
745:13 well; correct?
745:14 A. If it was with the Media Transport product, yes.
745:15 Q. All right. Now, you indicated, you talked a little bit
745:16 about InterAgent not being loaded on the Media Cast servers. I
745:17 take it that the absence of InterAgent from Media Cast as a
745:18 software program didn't stop Media Cast from being able to do
745:19 what it was designed to do, did it?
745:20 A. I'm trying to figure out how to answer that because I
745:21 don't know whether I follow exactly what you're asking me.
745:22 Q. Well, let me try it again. Media Cast was a service that
745:23 was designed to stream video over the distributor server
745:24 architecture in the network; correct?
745:25 A. Yes.
746:1 Q. And it had a specific code that was designed to do
746:2 specific things; correct?
746:3 A. Yes, it was using their own network software to stream
746:4 video.
746:5 Q. And the fact that it didn't include InterAgent didn't stop
746:6 it from performing the tasks that it was designed to do, did
746:7 it?
746:8 A. No, it did not.
746:9 Q. Okay. Now, you talked a little bit about this notion that
746:10 Media Cast was a Real software product. Are you familiar with
746:11 the contractual arrangements between ECI on the one hand and
746:12 Real on the other hand relating to the design of this software?
746:13 A. Are you asking me if I saw the contract myself?
746:14 Q. Yes.
746:15 A. No.
746:16 Q. And you didn't participate in negotiating that contract?
746:17 A. That was done prior to my employment at Enron.
746:18 Q. Okay. And you are not familiar, from having other people

746:19 tell you about this contract, what the terms of the contract
746:20 were, are you?

746:21 A. I couldn't claim very good knowledge on that. I was
746:22 familiar that there was a contract that Real was to provide us
746:23 with software and there was some business arrangement. But
746:24 details, I would be -- it's out of my league.

746:25 Q. But are you aware of the fact that Real agreed, pursuant
747:1 to this contract, to provide custom software for ECI?

747:2 MR. STRICKLIN: Excuse me, Your Honor, I object to
747:3 that question. She said she was not aware.

747:4 THE COURT: Objection sustained.

747:5 Q. (BY MR. RAMFJORD) Other than your actual awareness of the
747:6 terms of the contract, did you hear from others or did you have
747:7 an understanding at the time that the software used in the
747:8 Media Cast product was custom software designed Real for ECI?

747:9 A. I was aware that Real Networks was to provide software to
747:10 Enron Communications. To the custom nature of what that
747:11 software delivery was, I couldn't speak to that. I know that
747:12 they were to provide us with the Real Network server, a
747:13 continent location and a logging software. That's it. That's
747:14 all I know.

747:15 Q. And you didn't see the specifications that were done Real
747:16 to provide this software?

747:17 A. I don't recall anything.

747:18 Q. All right. Do you recall that there were some problems --
747:19 I think you mentioned them, with a memory leak early on?

747:20 A. Yes.

747:21 Q. And you had to go back to Real to get that memory leak
747:22 corrected, didn't you?

747:23 A. Yes.

747:24 Q. And eventually Real did correct that problem in large
747:25 measure; correct?

748:1 A. Yes.

748:2 Q. Now, is the fact that you had to solve this problem a
748:3 reflection of the fact this wasn't a commonplace software, that
748:4 Real was just selling to anybody and everybody on the street?

748:5 A. No.

748:6 Q. Is this a software that you could go down to Comp USA and
748:7 pull off the shelf and buy?

748:8 A. Well, it really depends on Real Network sales model.

748:9 Q. Well, could you go down to Comp USA and buy the software?

748:10 A. They don't sell Real Networks GT server at Comp USA. They
748:11 sell it through a end user, you know, through a sales rep that
748:12 deals directly with them. So, no, you could not go to Comp
748:13 USA, but you couldn't buy any Real Networks from Comp USA.

748:14 Q. And to the extent this software was customized, you

748:15 couldn't just buy it in office shelf, shrink-wrapped package
748:16 from Real without having the custom work done?
748:17 A. I can't attest to that. I know you can buy Real Networks'
748:18 GT server, which is what we use for the Solaris operating
748:19 system. You can buy it for Lenox and you could buy it for
748:20 Windows. So it was a salable product to the public through
748:21 their distribution models that they sold. And do all products
748:22 actually have memory leaks? Yeah, Microsoft is notorious for
748:23 sending out software that doesn't, you know, quite work a
748:24 hundred percent right away. And users find the problem and
748:25 then they fix it, just like Real fixed it.
749:1 Q. All right. Now, you phrased an interesting point, you
749:2 said that you could buy this GT software for Lenox and Windows;
749:3 correct?
749:4 A. I said Solaris, Lenox and Windows.
749:5 Q. Solaris, Lenox and Windows. Was it available for Solaris
749:6 publicly at the time you first acquired it? Do you know that?
749:7 A. I can't say for certain. You're asking for a definitive
749:8 answer. I know that you can buy Solaris.
749:9 Q. And do you have any knowledge of whether that -- you don't
749:10 have any knowledge of whether that came about after the fact
749:11 because Real developed it, a Solaris version for Enron?
749:12 A. That would be based on a contract that I haven't seen.

SO SHE DID NOT KNOW AND WE NEED TO DRIVE THAT POINT HOME HERE
REAL HARD.

PER GOES ON TO SHOW SHE DOES NOT KNOW THE PRESS RELEASE
PROCESS AND THEN SHOWS SHE DID NOT NOTICE THE PRESS RELEASE
SAID THE PRODUCTS WOULD BE RELEASED IN THE FUTURE. ANOTHER
EXAMPLE OF HOW SHE SAYS SHE IS AN EXPERT AND KNOWS STUFF AND
THEN DOES NOT EVEN KNOW THE IMPORTANT DETAILS LIKE THE
PRODUCT IS NOT RELEASED YET BUT WILL BE SOON.

750:18 Q. And you don't have a clue, really, about the process that
750:19 was used to prepare the press releases at ECI.
750:20 A. Haven't a clue is kind of tough, but I wasn't aware of how
750:21 they generated press releases, no.
750:22 Q. Well, you didn't know whether the press release language
750:23 that you looked at had, in fact, been reviewed or approved by
750:24 other technical personnel aside from your yourself?
750:25 A. No, I would not know the process they went through for
751:1 approval.
751:2 Q. And you don't have any firsthand knowledge of what
751:3 Mr. Hirko may have been told about the accuracy of those press
751:4 releases at the time they were issued?

751:5 A. No, I'm not aware of that.

751:6 Q. Now, the government showed you one press release dated
751:7 April 19, 1999, in connection with the NAB Conference; do you
751:8 recall that?

751:9 A. Yes.

751:10 Q. And on that day, April 19, 1999, there were actually four
751:11 press releases issued; do you remember that?

751:12 A. There was a whole plethora of them, yes.

751:13 Q. Right. There was one that dealt with Media Cast?

751:14 A. Yes.

751:15 Q. There was one that dealt with Media Transport?

751:16 A. Uh-huh.

751:17 Q. There was one that dealt with the ten new distribution
751:18 partners that the company had signed up; is that right?

751:19 A. So I know there were a lot of press releases that day. I
751:20 can't say without seeing them, if I had actually seen them.

751:21 Q. I understand that.

751:22 But you did remember the one for Media Cast and the
751:23 one for Media Transport?

751:24 A. Right, they showed it to me. I remembered reading it.

751:25 Media Cast and Media Transport were the two things that I had
752:1 just, you know, come in to learn and was working on, you know,
752:2 so I would pay attention to what's going on.

752:3 Q. Sure. And are you aware that those press releases for
752:4 Media Cast and Media Transport indicated that those products
752:5 were going to be available for commercial release in the
752:6 future?

752:7 A. Does that say that somewhere?

752:8 Q. Well, do you want to look at the press releases?

752:9 A. Sure.

752:10 Q. Sure. Why don't you look at Exhibit -- Government Exhibit
752:11 101, the Media Cast press release.

AGAIN HE SHOWS SHE DID NOT KNOW IT SAID MAY 1ST AND SHE TRIES TO
SAY IT DID NOT WORK BUT THEN SHE ADMITS THAT PART OF ROLLING
OUT SOMETHING NEW WAS TO TEST IT AND THAT WAS WHEN IT WAS
DISCOVERED THERE WAS A MEMORY LEAK PROBLEM ON THE SUN
SERVERS THAT WAS FIXED LATER.

752:25 Q. (BY MR. RAMFJORD:) Now, you will see in the second
753:1 paragraph of that press release, if we can get it on the
753:2 screen.

753:3 At the end of the sentence indicates it would be
753:4 commercially available on May 1, 1999; do you see that?

753:5 A. Yes.

753:6 Q. And at this point in time you are aware that the Media

753:7 Cast product had been going through testing in which Real
753:8 content, Real Networks content was being distributed through
753:9 ISP partners; do you recall that?

753:10 A. The Media Cast product was definitely going through
753:11 testing. I don't believe it was live content from Real. And
753:12 if it was, it was just some demo content that they provided us
753:13 to test the streaming, but it wasn't actually end user
753:14 content.

753:15 Q. But those tests had been successful; correct?

753:16 A. Well, I mean, it depends on how you define success. The
753:17 server wasn't able to stay up for more than a couple hours. If
753:18 you look back at the NAB show, the Media Cast product crashed
753:19 while they were actually at NAB and they had to put up a sign
753:20 that actually scheduled the demos for people to come see at
753:21 this time because it couldn't run real-time and live like it
753:22 would on a network.

753:23 Q. That was the memory leak problem that we referred to
753:24 earlier that was causing that; correct?

753:25 A. I recall that was one of the problems.

754:1 Q. And that's the problem that eventually was cured; correct?

754:2 A. Yeah, that was correct. That was solved by Real.

754:3 Q. And testing is designed to uncover problems like that,
754:4 isn't it?

754:5 A. Yeah. One would hope.

754:6 Q. And this was an occasion when that testing successfully
754:7 uncovered that problem and it was corrected?

754:8 A. Yes.

754:9 Q. In any event, this press release that we've just been
754:10 looking at indicates that the service is not yet commercially
754:11 available, and this was a projection of a time that was
754:12 ultimately delayed; correct?

754:13 A. I'm sorry?

754:14 Q. This press release shows that the service was not
754:15 commercially available as of the NAB Conference in mid-April?

754:16 A. Yes, this press release says it was not commercially
754:17 available until May 1, 1999.

754:18 Q. Right. And ultimately that might have to be pushed off
754:19 because of the memory leak problem; correct?

754:20 A. I don't know if we ever extended it publicly. Internally,
754:21 we may have, you know, changed the date by which the delivery
754:22 would be done, but we never reset that expectation with
754:23 people.

754:24 Q. Well, at NAB, you actually went out and tried to find the
754:25 customers, didn't you?

755:1 A. I cannot speak for anything that happened at NAB.

755:2 Q. So you don't know about any conversations that occurred

755:3 with any customers at the time?

755:4 A. At NAB?

755:5 Q. Yes.

755:6 A. No.

755:7 Q. So, if customers came in and asked, "Well, you said May 1,

755:8 how's it going," you don't know for a fact whether or not

755:9 people were told publicly through that customer area whether or

755:10 not that date had been pushed off.

755:11 A. No, I could not. I was moving houses that day, so --

755:12 Q. Okay, good enough.

755:13

VERY SLIPPERY AGAIN AND NOT WILLING TO ADMIT THAT THE EIN ONLY HAD THE 2 PRODUCTS ON IT AND THE BACKBONE DID NOT LET OTHERS ON IT AND THE BACKBONE WAS NOT SOLD AS AN IP BACKBONE PRODUCT. SO SHE IS VERY KNOWLEDGEABLE THEN SHE DOES NOT KNOW AND IF SHE DOES NOT LIKE WHAT PER POINTS OUT THEN SHE SAYS EITHER SHE IS THE EXPERT OR SHE DOES NOT KNOW. WE NEED TO MAKE HER LOOK WORSE. ATTACK HER. WHICH ONE IS IT? EXPERT OR ONLY LIMITED KNOWLEDGE?

756:14 Q. (BY MR. RAMFJORD) If you would look at the second page,

756:15 there is a paragraph, a short paragraph that indicates that the

756:16 product is going to be commercially available in July; correct?

756:17 A. Yeah, it's about the fourth paragraph down. It says,

756:18 "ePowered Media Transport will be commercially available on

756:19 July 1, 1999."

756:20 Q. So, as of this time, as of the April event, the NAB event,

756:21 the company wasn't telling the public that these two products

756:22 were commercially available for sale; correct?

756:23 A. No, they weren't.

756:24 Q. And in fact, this network we're talking about, the EIN,

756:25 was a network that at this time was designed really only to

757:1 serve or to carry traffic with these two products; correct?

757:2 A. So you're saying the whole purpose of the Enron Network

757:3 was just for two products?

757:4 Q. Let me clarify my question. At this point in time, the

757:5 only media plans for traffic on the network were for traffic

757:6 from Media Cast and Media Transport?

757:7 A. The two products that were being built were Media Cast and

757:8 Media Transport. The plans for the network, I couldn't speak

757:9 to. But the press release indicated that the network had

757:10 products.

757:11 Q. Well, in the products that the company had at this time

757:12 were these two products it was working on, correct, Media Cast

757:13 and Media Transport?

757:14 A. These were two of several products. There was also the
757:15 video conferencing product being worked on.

757:16 Q. Which was not mentioned in any press release at NAB, was
757:17 it?

757:18 A. No, no, these just these two products.

757:19 Q. And this wasn't the kind of network that is like a phone
757:20 network where you just hook in and start sending traffic over
757:21 it? You could only send traffic at this point in time -- with
757:22 the media product you could only send traffic with these two
757:23 applications?

757:24 A. I don't agree with that statement. A network is a network
757:25 much like the freeway. If it has exits, you know, on ramps and
758:1 off ramps, just like the Enron Network did, which is they had
758:2 access to ISPs or to other cities and to the Internet, you can
758:3 route traffic through the network and there doesn't need to be
758:4 a product on a network in order to have traffic.

758:5 Q. Sure, but at this point in time Enron, as a company, or
758:6 ECI, as a company, was not out there marketing to the public,
758:7 saying we've got a network, why don't you just buy some space
758:8 on our network? It wasn't selling itself as an ISP?

758:9 A. I know that there was some activity with regards to
758:10 bandwidth. What extent that is, I could not tell you. They
758:11 were selling Media Cast and Media Transport services, but I
758:12 believe there is other things that were happening on the
758:13 network side with bandwidth.

758:14 Q. There were some things happening with bandwidth trading?

758:15 A. Which is the Enron Network.

758:16 Q. Is all bandwidth trading on the Enron Network?

758:17 A. I can't answer any questions related to that. That's way
758:18 out of my expertise.

758:19 Q. That's fine. Bandwidth trading is outside of your area of
758:20 expertise; correct?

758:21 A. Yes, yes.

758:22 Q. You don't know anything about that, really?

758:23 A. I've seen one demo down in the L.A. facility. That's
758:24 about it.

758:25 Q. These other activities associated with bandwidth, you
759:1 can't identify specifically what they are, as you sit here
759:2 today?

759:3 A. Right. But you made the statement that the only thing
759:4 that that network was being used for was these two products.
759:5 And I was aware that there were other things happening with the
759:6 network. What those are, you would have to talk to people who
759:7 actually worked on that.

759:8 Q. Now, one other thing about these press releases. Am I
759:9 correct that you did not personally make any complaints to

759:10 Mr. Hirko about any inaccuracies in these press releases that
759:11 you observed at the time?

759:12 A. The press releases that we just referred to in April?

759:13 Q. Yes.

759:14 A. I had just started the company.

759:15 Q. And even the press release that we referred to later on or
759:16 that you referred to later on with Mr. Stricklin from 2000, you
759:17 didn't specifically raise that press release with Mr. Hirko,
759:18 did you?

759:19 A. No, I did not raise that issue with Mr. Hirko. I did
759:20 speak with John Bloomer, my BOS, about what was going on.

759:21 Q. But you don't know whether Mr. Bloomer ever spoke to
759:22 Mr. Hirko about that, do you?

759:23 A. I won't claim any knowledge of their conversation.

759:24 Q. And you didn't speak personally with Mr. Yeager or
759:25 Mr. Shelby about any of these press releases, either, did you?

760:1 A. No.

760:2 Q. Okay. One other thing. These press releases that were
760:3 issued by the company, you said that they were available on the
760:4 website; correct?

760:5 A. Yes.

760:6 Q. Nobody was trying to hide these press releases from
760:7 company employees like yourself, were they?

760:8 A. When they went public, no. They were available when they
760:9 ran out publicly, not before.

760:10 Q. But when they were made available publicly, the company
760:11 didn't try to send them off to a newswire service and not let
760:12 the employees in the company see them?

760:13 A. No, they didn't hide them.

NOW SHE WILL NOT EVEN AGREE THAT BLOOMER WAS SUPPORTED EVEN
THOUGH SHE IS SHOWN AN EMAIL TO ALL EMPLOYEES SAYING HIRKO
AND RICE ARE BEHIND BLOOMER. THEN SHE WILL NOT ADMIT IF SHE
THINKS BLOOMER IS SINCERE OR NOT WHEN HE SENDS OUT HIS
CONGRATULATORY EMAIL TO EVERYONE ON THE SWAT TEAM FOR
MAKING THE AC A SUCCESS. SHE IS VERY SLIPPERY.

760:14 Now, you spoke a little bit about this SWAT Team process
760:15 with Mr. Bloomer. I'm kind of reminded of that by your
760:16 mentioning Mr. Bloomer again. Mr. Bloomer was actually hired
760:17 by Mr. Yeager; is that right?

760:18 A. I would not know that information.

760:19 Q. Do you know what position Mr. Bloomer was actually first
760:20 hired for?

760:21 A. To be really honest, no. I just know that he was brought
760:22 in to work with us on the products. That was all I know.

760:23 Q. And you don't know whether that was a position he was
760:24 originally hired for?

760:25 A. No. You would need to talk with Mr. Bloomer about that.

761:1 Q. And with regard to this SWAT Team process, did you view
761:2 this process that Mr. Bloomer put up of regular meetings as an
761:3 appropriate way to address some of the outstanding issues with
761:4 the services at that time?

761:5 A. An appropriate -- yes. I mean, we spent a great deal of
761:6 time together looking at the technology, assessing where things
761:7 were and putting together risk, mitigation plans and
761:8 implementation plans. So it had everybody in the same room to
761:9 discuss what was going on and take corrective action.

761:10 Q. It was an effective way of addressing some of the issues
761:11 that were there with the services at the time?

761:12 A. Yes. When you put everyone in the same room that has the
761:13 same knowledge and give them a course of action, then, yes.

761:14 Q. And it resulted in significant improvements in some of the
761:15 products, in the Media Cast products that you were working on?

761:16 A. Significant improvements? I'm not sure I quite know what
761:17 you're addressing there.

761:18 Q. Well, one of the things you did in the fourth quarter is
761:19 you actually worked hard to distribute these or put out these
761:20 additional servers, the 200 servers that you talked about;
761:21 correct?

761:22 A. We did that December to January, yes. We were shipping
761:23 out 200 servers.

761:24 Q. And that action increased the footprint of the network or
761:25 the number of end users that could access content on the
762:1 network?

762:2 A. Yes, it increased the number of streams that we would be
762:3 able to host.

762:4 Q. And increasing the number of streams that you would be
762:5 able to host made the service a more attractive service to
762:6 potential customers, didn't it?

762:7 A. Yes.

762:8 Q. And that was an improvement to the service, was it not?

762:9 A. Yes.

762:10 Q. All right. Now, I'll show you another exhibit here, which
762:11 we have marked as No. JH1101. It should be in the stack
762:12 there.

762:13 A. It's quite a stack.

762:14 Q. That was why it was good to have lunch, it might eliminate
762:15 some of that stuff, technical stuff on Media Transport.

762:16 I will hand you a copy.

762:17 A. I apologize.

762:18 Q. There you go.

762:19 A. Oh, there it is, I found it.
762:20 Q. Did you locate it?
762:21 A. Yes.
762:22 Q. All right. Then I'll take my copy back.
762:23 A. Thank you.
762:24 Q. This is an e-mail from the office of the chairman, Joe
762:25 Hirko and Ken Rice, that was sent out to all employees. Do you
763:1 recall receiving this e-mail?
763:2 A. Can I read it real quickly?
763:3 Q. Sure.
763:4 A. Yes, I do remember receiving this.
763:5 MR. RAMFJORD: I would offer JH1101 into evidence.
763:6 THE COURT: Any objection?
763:7 MR. STRICKLIN: No objection, Your Honor.
763:8 THE COURT: Defendant's JH1101 is admitted.
763:9 Q. (BY MR. RAMFJORD) This is, as I indicated, an e-mail from
763:10 Joe Hirko and Ken Rice to all employees. It's called Secure
763:11 Our Success into the caption, and it starts out by saying,
763:12 "Please take note. This is imperative. The most important
763:13 thing we can do as an organization for the remainder of this
763:14 year is to complete product development and get products out
763:15 the door and into the hands of paying customers. For our
763:16 company to succeed, the number one priority is to close as many
763:17 customer contracts as we can by December 31, 1999. To that
763:18 end, we've asked John Bloomer, a seasoned industry expert, who
763:19 has led technology and business development for companies like
763:20 General Electric and NBC, to form a SWAT Team to address all
763:21 roadblocks on product releases and to close key customer
763:22 deals." Do you see that language?
763:23 A. Yes.
763:24 Q. And was it your understanding, at this time in the fall of
763:25 1999, that Mr. Hirko and Mr. Rice were supportive of the SWAT
764:1 Team effort that Mr. Bloomer was conducting?
764:2 A. Can you repeat that again?
764:3 Q. Was it your understanding, as of the fall of 1999, the
764:4 time that this e-mail was sent out, that Mr. Hirko was
764:5 supportive of the SWAT Team effort that Mr. Bloomer was
764:6 conducting?
764:7 A. I can't speak to how Mr. Hirko was feeling, but the e-mail
764:8 indicates that he's supporting John's efforts, yes.
764:9 Q. And there is nothing that you knew of at the time that
764:10 suggested that Mr. Hirko was not supporting Mr. Bloomer's
764:11 actions?
764:12 A. I couldn't recall that. I can only tell you what I saw in
764:13 e-mail.
764:14 Q. But in conversation with Mr. Bloomer or interaction with

764:15 him or interactions with the SWAT Team effort, there was
764:16 nothing that you saw that made you feel that Mr. Hirko was not
764:17 supportive of this effort, was there?

764:18 A. I don't know that I would -- I think it was -- I'm not
764:19 really comfortable answering that question because I don't
764:20 really know how to say it. I mean, it wasn't support, it
764:21 wasn't against, it wasn't anything. I don't know that I would
764:22 have seen anything where I was.

764:23 Q. Well, you certainly didn't see Mr. Hirko undermining the
764:24 effort in any way, did you?

764:25 A. I didn't spend much time with Mr. Hirko, so --

765:1 Q. And there was nothing about all those hours that you spent
765:2 in these SWAT Team meetings that made you feel that Mr. Hirko
765:3 was undermining the effort, was there?

765:4 A. No, I was going my job, getting things done and trying to
765:5 bring things up. I was very focused on what I was doing. The
765:6 SWAT Team was a 8:00 to 10:00 meeting that was a very grueling
765:7 meeting half the time.

765:8 Q. People were working very hard on the products at this
765:9 time; correct?

765:10 A. Yes.

765:11 Q. People were enthusiastic about the products at this time,
765:12 weren't they?

765:13 A. Yes, I think, you know, enthusiastic is probably a good
765:14 word.

765:15 Q. All right. I want to show you one other exhibit relating
765:16 to this effort, and that is JH1789? It's a one-page document,
765:17 and I'll show it to you to help you find it.

765:18 A. I'm sorry.

765:19 Got it.

765:20 Q. All right, thank you.

765:21 This is an e-mail from Mr. Bloomer dated January 21,
765:22 2000, to members of the SWAT Team and other people. You see
765:23 that?

765:24 A. Yes.

765:25 Q. Were you a member of the SWAT Team at this time?

766:1 A. Yes.

766:2 Q. Do you recall receiving this e-mail?

766:3 A. It looks relatively familiar, yes.

766:4 Q. All right.

766:5 MR. RAMFJORD: We would offer JR-1789 into evidence.

766:6 THE COURT: Any objection?

766:7 MR. STRICKLIN: As long as it's relatively familiar,
766:8 no objections.

766:9 THE WITNESS: Sorry, I couldn't say definitive, but
766:10 it looks like something John would have sent, looks like

766:11 something I would have received.
766:12 THE COURT: All right. That's good enough.
766:13 Defendant's JH1789 is admitted.
766:14 Q. (BY MR. RAMFJORD) As I said, this is an e-mail from John
766:15 Bloomer, it is captioned "To: SWAT Team" and other people,
766:16 captioned "Celebrate!" with an explanation point, and it's
766:17 dated January 21, 2000, the day after the Analyst Conference;
766:18 correct?
766:19 A. Yes, at 6:10 a.m., he was up early.
766:20 Q. Maybe he was excited.
766:21 "Well," it says, "you've all seen what the EBS team
766:22 helped did" -- I guess he was really excited -- "for Enron's
766:23 valuation in the market yesterday. I personally want to thank
766:24 you for your participation in the SWAT Team and Product
766:25 Development process. It's working," he says. Do you see that?
767:1 A. He's saying that the SWAT Team and the Product Development
767:2 process is working.
767:3 Q. Right. And at that point in time, is it your
767:4 understanding from your interactions with Mr. Bloomer, that he
767:5 believed the SWAT Team process, Product Development process
767:6 were working?
767:7 A. I want to answer yes, but I can only answer yes related to
767:8 Media Cast. So the SWAT Team and the Product Development
767:9 process was working for the Media Cast product. I can't say if
767:10 it was working for everybody else.
767:11 Q. Do you have any reason to doubt that Mr. Bloomer was
767:12 sincere in sending this e-mail out?
767:13 A. I couldn't talk to his sincerity of the writer.
767:14 Q. All I'm saying is did any communications you had with him
767:15 suggest that he wasn't being sincere when he sent this out?
767:16 A. No.

NOW PER GETS HER TO ADMIT SHE DID NOT KNOW ANYTHING ABOUT THE CISCO WORKING WITH THE SHELBY TEAM TO ALLOW INTERAGENT TOCONTROL THE ROUTERS. SHE IS AN EXPERT EARLIER ON DIRECT AND SAYS WE DID NOT HAVE IT AND IT DID NOT WORK AND SO ON BUT NOW SHE DOES NOT EVEN KNOW THAT A TEAM WAS WORKING WITH CISCO TO CONTROL THE ROUTERS. HOW DO WE DRIVE THIS HOME MORE?

768:25 Q. All right. Along those same lines, you mentioned that you
769:1 attended a meeting with Cisco in the summer of 1999, when one
769:2 of the subjects was to potentially see if Cisco would be
769:3 willing to incorporate InterAgent into the Cisco IOS software;
769:4 is that right?
769:5 A. Yes.
769:6 Q. And you indicated at that time you didn't think Cisco was

769:7 very responsive to doing that; correct?
769:8 A. No, not at all.
769:9 Q. But you are aware, I take it, that ECI and Cisco continued
769:10 to work together on various projects; correct?
769:11 A. You need to tell me which ones they worked on.
769:12 Q. Well, Cisco is helping ECI develop some software that
769:13 would enable ECI to control Cisco routers?
769:14 A. No, I was not familiar with that project.
769:15 Q. You're not familiar with that project at all?
769:16 A. No.
769:17 Q. Don't know what other meetings took place with Cisco over
769:18 the course of the summer, fall of 1999?
769:19 A. No.
769:20 Q. Don't know what deliverables Cisco may have come up with
769:21 in early 2000?
769:22 A. No.
769:23 Q. Don't have any knowledge about any of that at all?
769:24 A. No.
769:25 Q. All right. And you don't have any knowledge of any
770:1 potential use that Cisco might have made of InterAgent in the
770:2 future?
770:3 A. No, I don't work at Cisco, so I couldn't tell you.
770:4 Q. Now, you indicated that in early 2000, Mr. Bloomer wanted
770:5 you to work on some issues relating to the BOS; correct?
770:6 A. Yes, he asked if I would work on the Broadband Operating
770:7 System.
770:8 Q. And at this point in time Mr. Bloomer was not the
770:9 individual who was in charge of developing the BOS, was he?
770:10 A. I couldn't tell you really who was in charge of the BOS at
770:11 that time.
770:12 Q. Were you aware of what team of software developers were
770:13 working on the BOS?
770:14 A. Yes.
770:15 Q. And those individuals did not report directly to
770:16 Mr. Bloomer, did they?
770:17 A. No.
770:18 Q. They would include people like Larry Cison?
770:19 A. Correct.
770:20 Q. Mark Palmer?
770:21 A. I don't know, but I would guess so.
770:22 Q. Steven Reynolds?
770:23 A. Now we're going to get to names I'm not very familiar
770:24 with.
770:25 Q. So you don't have enough of a familiarity with that team
771:1 to even remember the names of the people who worked on it?
771:2 A. I remember Larry because I interacted with Larry the

771:3 most. And I met some other people when I came down here to
771:4 talk about the InterAgent software. But I couldn't tell you
771:5 all the developers' names, no.

771:6 Q. Do you remember that you were provided with a copy of a
771:7 Beta version of a BOS API application program interface
771:8 software development kit?

771:9 A. Yes, I was. That was good.

771:10 Q. And this was a device, a Beta version of a device that was
771:11 sent out to customers so they could see if it was user friendly
771:12 enough to try to program things that would ultimately work on
771:13 this Broadband Operating System that the company was
771:14 developing; correct?

771:15 A. I couldn't tell you if they sent it out to customers. I
771:16 know I received a copy.

771:17 Q. And you didn't even look at the copy you received, did
771:18 you?

771:19 A. No, I put it on the shelf. It was in the middle of the
771:20 January push for the Financial Analyst Conference. It was a
771:21 week away. So there wasn't a lot of visibility that would
771:22 happen in my world at that time.

771:23 Q. Okay. And you didn't look at it after the Analyst
771:24 Conference, either?

771:25 A. No.

772:1 Q. So you don't know to what extent that BOS API STK relied
772:2 on InterAgent, do you?

772:3 A. No, and I haven't claimed to.

772:4 Q. No, I'm not saying you've claimed to. I just want to --

772:5 A. Yes.

772:6 Q. -- show the jury what you know about and what you don't
772:7 know about.

772:8 A. Okay.

772:9 Q. And that's something that I take it we can safely say you
772:10 don't know about?

772:11 A. The Broadband Operating System?

772:12 Q. The BOS API STK.

772:13 A. No, I did not look at it.

772:14 Q. And am I correct that you did not end up working on the
772:15 BOS for a long period of time?

772:16 A. I never worked on the BOS.

772:17 Q. So you just had Mr. Bloomer suggesting that you ought to
772:18 look at it, you had a meeting down in Houston, but you didn't
772:19 end up working on that?

772:20 A. I had a conversation with John. I'm not sure about the
772:21 meeting in Houston, but I did say that I wasn't interested,
772:22 that I wanted to continue working on Media Cast.

772:23 Q. All right, that clarifies it even more. The reality,

772:24 then, is that you never worked on the BOS?

772:25 A. Correct.

INCREDIBLY EVASIVE AND NIT PICKY ON TERMINONLOGY AND NOT WILLING TO ADMIT TO WHAT SHE SAID BEFORE OR AGREE TO ANY DEFINITION THAT PER BRINGS UP. I THINK IT IS NOT GOOD FOR HER BUT WE NEED TO GET HER VIA OTHER EMAILS OR SOMETHING.

778:14 And you mentioned that on direct examination here that you
778:15 thought or you mentioned the word "illegal," that the company
778:16 may have been doing things that were illegal. Do you recall
778:17 that?

778:18 A. Yes.

778:19 Q. You didn't mention that in your grand jury testimony, that
778:20 word, did you?

778:21 A. No.

778:22 Q. You didn't mention that word in the interview summary or
778:23 when you talked to the FBI and they interviewed you?

778:24 A. No.

778:25 Q. Okay. Today is the first time you mentioned that word?

779:1 A. Yes.

779:2 Q. And you've met with the FBI, you said, five times?

779:3 A. Yes, I have. That word was my use for explaining
779:4 situations that I felt were, you know -- after spending the
779:5 last, what is it, five years now having to deal with this and
779:6 it being an experience I would never wish on anybody to have to
779:7 do, you look back at the instances of things that happened and
779:8 where you're being asked as an employee to go do something for
779:9 someone else in the company that betters their own financial
779:10 gain and self-interest in that business, that to me feels
779:11 illegal. You should not be doing that.

779:12 Q. Well, I'm talking about what word you used at the time,
779:13 not what you thought about after five years pondering this
779:14 issue.

779:15 A. Okay.

779:16 Q. Okay. And in your Grand Jury testimony and in your 302
779:17 Form, which is the summary of your interview with the FBI.

779:18 A. Thank you.

779:19 Q. The word "illegal" doesn't appear anywhere?

779:20 A. No.

779:21 Q. It doesn't appear as a word that you used with Mr. Hirko?

779:22 A. I used the word "unethical" with Mr. Hirko.

779:23 Q. And so you didn't use the word "illegal" with Mr. Hirko?

779:24 A. No.

779:25 Q. I was under the impression that you had said that you did
780:1 on your direct examination. You're saying you didn't do that?

780:2 A. I told him that I did not want to work for the individuals
780:3 in the company and I felt that it was unethical.

780:4 Q. Did you have an ethical problem with Mr. Bloomer?

780:5 A. No.

780:6 Q. Now, you also testified on direct a lot about billing. Do
780:7 you recall that, billing with Media Cast?

780:8 A. Yes.

780:9 Q. And you testified that this was something that had to be
780:10 done by hand; correct?

780:11 A. Yes.

780:12 Q. And at the time, am I correct that you didn't have that
780:13 many customers, did you?

780:14 A. At what time?

780:15 Q. In early 2000, say, when you started to actually get
780:16 customers?

780:17 A. In early 2000, I believe there were three or four
780:18 customers.

780:19 Q. And just so we're clear here, this was a relatively new
780:20 product; correct?

780:21 A. Media Cast?

780:22 Q. Yes.

780:23 A. No.

780:24 Q. Well, it was the first widespread commercial release of
780:25 the product in late December, early January, wasn't it?

781:1 A. So Media Cast as a product, Real Networks as a product,
781:2 no. So Media Cast being a product that Enron had, yes, it was
781:3 early in its life cycle of a product that was in its 1.0
781:4 release. Real Networks as a product and Windows Media Server
781:5 as a product has been out.

781:6 Q. I understand that, but I'm talking about the Media Cast
781:7 product was in a 1.0 release, did you say?

781:8 A. Yes.

781:9 Q. 1.0 release means it's the first release to the public,
781:10 correct, widespread commercial release?

781:11 A. Not necessarily. I mean, we called it 1.0, but we had
781:12 released it to the public prior to that for the Country Cool
781:13 and Drew Carey Show. So it was used for commercial use prior
781:14 to the 1.0 in January.

781:15 Q. Sure, and we're the last ones to deny that. But I want to
781:16 make clear that for purposes of needing billing, I mean, the
781:17 whole idea here was you were going to get more and more
781:18 customers in 2000; correct?

781:19 A. Yes.

781:20 Q. And so it's going into 2000 that you are going to need to
781:21 have these billing services; correct?

781:22 A. Well, you needed to have billing services any time you had

781:23 customers.

781:24 Q. I understand, but it's not a very big problem if you only
781:25 are doing one or two events here and there, is it?

782:1 A. No. I mean, you can do it manually, but I wasn't claiming
782:2 that we weren't doing manually, if it was indicating in the
782:3 press releases, which is when we spoke about metering and
782:4 billing, that it was automated.

782:5 Q. Did the word "automated" appear there?

782:6 A. I believe it did. I would have to look at it again.

782:7 Q. But the company could do billing at this time; correct?

782:8 Could do it manually?

782:9 A. Manual, yes, which I explained earlier in my direct.

782:10 Q. And the company was engaged in a process starting in early
782:11 2000 to develop the systems necessary to do the billing on an
782:12 automated basis; correct?

782:13 A. Yeah, I believe there was a team that was looking at the
782:14 billing system.

782:15 Q. And are you aware of what the outcome of that result was?

782:16 A. I left in March of 2000, so it was not implemented as of
782:17 my departure, so I could not claim if they did anything after I
782:18 left the company.

782:19 Q. So you don't know whether or not the company ended up
782:20 having an automated billing system in place?

782:21 A. My knowledge about what was going on at Enron really stops
782:22 at the day I left the company.

782:23 Q. And there were customers, as you said, with Media Cast in
782:24 early 2000, like Adam Films was a customer; correct?

782:25 A. Yes.

783:1 Q. And a lot of these customers were happy with the service
783:2 that was being provided?

783:3 A. I can't claim customer experience in a favor satisfied or
783:4 not.

783:5 Q. So you didn't interact with the customers on a regular
783:6 basis, know how they were responding to the product?

783:7 A. I met with Adam Films and Digital Entertainment Network
783:8 once. I know that we had some issues that they asked us to
783:9 address, we were addressing them. I'm in engineering. They
783:10 only tell you about the problems.

783:11 Q. And you were able to address the problems?

783:12 A. I believe we are able to solve all of them, yes.

TOMKO GET HER TO ADMIT SHE IS NOT AN ENGINEER, SHE SAID
INTERAGENTDID NOT EXIST BUT IN FACT SHE SAYS IT MAY HAVE
EXISTED BUT NOT IN MEDIA CAST BUT WAS IN MEDIA TRANSPORT AND
SHE ADMITS SHE DID NOT REALLY PAY ATTENTION TO THE BOS-API SDK

AND SHOWED IT TO THE GOV AND NO ONE EVER LOOKED AT IT TO SEE IF IT WAS REAL.

796:9 Q. If Cisco said its routers were intelligent, would it have
796:10 different types of requirements than this?

796:11 A. Yes.

796:12 Q. Okay. And what would be some of those requirements in a
796:13 router, if you know?

796:14 A. Couldn't tell you. I'm not a big router person.

796:15 Q. Is it your testimony, though, specifically, that the Enron

796:16 Intelligent Network was not intelligent? That's your

796:17 testimony?

796:18 A. Yes.

796:19 Q. Now, you testified about Inktomi meeting; is that correct?

796:20 A. Inktomi, yes.

796:21 Q. See, that goes to my intelligence. An Inktomi meeting.

796:22 And who-all was there?

796:23 A. Rex Shelby, Larry Cison, Scott Smith. I believe Peter

796:24 Ghavami was in there, and myself, and the Inktomi salespeople.

796:25 Q. And you were called upon to make a presentation or some

797:1 statement to Inktomi about InterAgent?

797:2 A. About InterAgent with Media Cast.

797:3 Q. Okay. And what did you say?

797:4 A. That we were looking at that -- including the InterAgent

797:5 technology in the future.

797:6 Q. Okay. Is that all you said?

797:7 A. That pretty much was to the extent of what I would have

797:8 discussed about InterAgent.

797:9 Q. Okay. Was that true?

797:10 A. It was a roadmap for the future. Didn't say what future

797:11 was.

797:12 Q. Do you know why InterAgent was not being used in Media

797:13 Cast at the time?

797:14 A. Do I know InterAgent was not being used?

797:15 Q. Yes, at the time that you were working with Media Cast, do

797:16 you know?

797:17 A. Yes.

797:18 Q. Okay, and why was that?

797:19 A. It wasn't integrated with the Real Networks application,

797:20 it was causing problems with the Media Transport. Why would we

797:21 be using a product that would create more headache and delay

797:22 our "go-to-market" based on the e-mail that was here, this

797:23 Exhibit JH1101, where it says "Secure Our Success" and it says

797:24 do everything you possibly can to get things to market? Why

797:25 would we jeopardize the "go-to-market" strategy of Media Cast

798:1 on a product that was not working?

798:2 Q. So what you had then was a decision was made, we don't
798:3 need that to do this product commercially; is that correct? We
798:4 don't need InterAgent to get Media Cast to commercial?
798:5 A. Correct.
798:6 Q. Okay. And that was the decision, wasn't it?
798:7 A. I don't know that it was a decision. It's a decision the
798:8 engineering team made and moved forward with.
798:9 Q. Okay.
798:10 A. That doesn't mean people weren't wanting us to move
798:11 forward and add InterAgent.
798:12 Q. I understand that. I'm just asking you, was a decision
798:13 made not to use InterAgent because Media Cast didn't need
798:14 InterAgent at that stage of its development? So why take on
798:15 the extra headache?
798:16 A. I agree partially with what you're saying. The decision
798:17 was made to not use InterAgent, that Media Cast was going to
798:18 move forward without it, to not delay it to market, and that it
798:19 would achieve the ability to stream, but it would not be
798:20 intelligent. It would be delivering the same types of streams
798:21 that anybody, including Akamai and Digital Island could deliver
798:22 with their networks.
798:23 Q. You never worked on the BOS at all?
798:24 A. No.
798:25 Q. You made a statement on your direct examination that the
799:1 BOS was not defined. How did you come upon that information?
799:2 Just tell me where you got the information. Don't tell me what
799:3 it is. Just tell me where you got the information that the BOS
799:4 was not defined.
799:5 A. John Bloomer.
799:6 Q. John Bloomer, okay.
799:7 Do you remember whether or not there was capability
799:8 to reserve bandwidth by any manner other than calling an
799:9 operator and holding for your turn on the line?
799:10 A. I'm not familiar with bandwidth trading.
799:11 Q. I'm not talking about bandwidth trading. I'm talking
799:12 about reserving bandwidth, reserving bandwidth. We talked
799:13 about reserving bandwidth, and Mr. Ramfjord asked you about
799:14 could a lot of people call it one time, and you said yeah, but
799:15 it would cause a problem.
799:16 Was there a way to do that without having to actually
799:17 pick up the phone and dial a person?
799:18 A. I don't know.
799:19 Q. Do you know whether there was a gooey (sp) that was
799:20 available with Media Cast to reserve bandwidth?
799:21 A. There was no gooey available with Media Cast.
799:22 Q. Was there one with Media Transport?

799:23 A. I couldn't talk about Media Transport.
799:24 Q. What's your education background?
799:25 A. I have a Bachelors of Science from Lewis and Clark
800:1 College.
800:2 Q. In what?
800:3 A. Psychology and business.
800:4 Q. Okay. And where did you go to graduate school?
800:5 A. I did not go to graduate school.
800:6 Q. Where did you get an engineering degree?
800:7 A. I don't have an engineering degree. I have a Bachelors of
800:8 Science.
800:9 Q. In psychology?
800:10 A. And business.
800:11 Q. And business.
800:12 Now, today you said that InterAgent existed; is that
800:13 correct?
800:14 A. I'm sorry?
800:15 Q. Strike that, let me try that over.
800:16 Was it your understanding in 1999 that InterAgent
800:17 software existed?
800:18 A. Yes, there was a software called InterAgent.
800:19 Q. And do you know what that software did?
800:20 A. I know what I was told that it did.
800:21 Q. Do you know what Middleware is?
800:22 A. Yes.
800:23 Q. What is Middleware?
800:24 A. Well, it sits between an application and the network,
800:25 which is its whole point. It can be a messaging system and it
801:1 does software writing. So different middlewares can do
801:2 different things, but usually it sits between the operating
801:3 system and the application --
801:4 Q. And -- excuse me, I'm sorry, I didn't mean to cut you
801:5 off. I'm sorry.
801:6 A. Okay.
801:7 Q. As such, would Middleware be something that would be
801:8 visible to the end user. Would they know that there was
801:9 Middleware involved in the stream from the original source to
801:10 the end user?
801:11 A. Would the customers know that there was a Middleware
801:12 involved?
801:13 Q. Yes.
801:14 A. No.
801:15 Q. Okay. It would be invisible to them, to the customer?
801:16 A. It would be invisible to the customer, but not on the
801:17 servers or in the network.
801:18 Q. I didn't ask you that, did I?

801:19 A. Sorry.
801:20 Q. He asked you, I didn't.
801:21 A. Okay, sorry.
801:22 MR. STRICKLIN: Objection, Your Honor, argument.
801:23 MR. TOMKO: It's not argumentative, Your Honor.
801:24 THE COURT: Actually, it's just confusing at this
801:25 point in time. I mean, it really is.
802:1 MR. TOMKO: I will do this quicker, I'm going to move
802:2 along.
802:3 THE COURT: Okay.
802:4 Q. (BY MR. TOMKO:) Do you recall telling the FBI agents and
802:5 Mr. Kroger, when they interviewed you on August 1, 2002, that
802:6 InterAgent did not exist?
802:7 A. Yes, I'm sure I would have said something generic like
802:8 that.
802:9 Q. So, in August of 2002, you didn't believe InterAgent
802:10 existed?
802:11 A. Well, let's take it in context. Did they ask me if
802:12 InterAgent exists with Media Cast? InterAgent did not exist
802:13 with Media Cast. Did the physical software, much like you just
802:14 asked me, did the physical software exist known as InterAgent?
802:15 Yes, there was a software package called InterAgent. I
802:16 wouldn't have debated that. There was an entire company
802:17 purchase based on the fact that there was software.
802:18 Q. Well, did you tell them that in working for the NAB annual
802:19 conference announcement, they were touting the Enron
802:20 Intelligent Network, but InterAgent did not exist? In that
802:21 statement, are you saying it did not exist on the network or it
802:22 did not exist?
802:23 A. Did not exist on the network.
802:24 Q. Then the next statement is, would you have told them that
802:25 Meyers said that since InterAgent did not exist, ECI used
803:1 commercially available software packages to make it appear that
803:2 the EIN was operational? Did you tell them that?
803:3 A. Yes, we used the Cisco IOS software to make it appear that
803:4 there was a network that was intelligent because it understood
803:5 how to do redundant routing.
803:6 Q. And that was not because InterAgent didn't exist. It was
803:7 because a choice was made not to use InterAgent?
803:8 A. I can't explain on the choices there. I don't know what
803:9 choices were made on the network.
803:10 Q. But InterAgent existed, didn't it?
803:11 A. The software existed.
803:12 Q. You said -- would you have said that you and others and
803:13 other employees laughed about the existence of InterAgent?
803:14 A. On the network.

803:15 Q. On the network?
803:16 A. In the products.
803:17 Q. In the product. So we're not denying now that InterAgent
803:18 existed?
803:19 A. I never denied that InterAgent software --
803:20 Q. Existed?
803:21 A. Correct.
803:22 Q. When you used that term in the past, you have always meant
803:23 in conjunction with some application or network?
803:24 A. Yes, it's in conjunction with either the Enron Intelligent
803:25 Network, or the Media Cast application would have been my
804:1 reference.
804:2 Q. Now, is that true as to Media Transport?
804:3 A. That InterAgent exists with that?
804:4 Q. Yeah.
804:5 A. Yes, it was included with Media Transport --
804:6 Q. What about the BOS API STK?
804:7 A. I can't discuss what was in Media Transport.
804:8 Q. Now, you talked about the NBCI demonstration, okay? What
804:9 was being demonstrated to NBCI?
804:10 A. What we went over at the beginning. They were selling the
804:11 Media Transport products and it goes across that network in
804:12 that room and the traffic between it. They created a
804:13 congestion that caused, as you talked about, the picture
804:14 looking kind of goofy. They used the InterAgent software,
804:15 reserve the bandwidth, and then the application was -- you
804:16 know, the streaming resumed to be normal.
804:17 Q. Who told you they used the InterAgent software to reserve
804:18 the bandwidth? Who told you that?
804:19 A. The InterAgent was being used?
804:20 Q. Yeah.
804:21 A. I believe that it was Rex Shelby who was doing the
804:22 demonstration and made that claim.
804:23 Q. That the InterAgent was reserving the bandwidth, he said
804:24 that?
804:25 A. That's what I recall, yes.
805:1 Q.

SHE LIES ABOUT LATENCY NOT BEING AN ISSUE WITH THE DISTRIBUTED
SERVERS SINCE THE INTERNET HAS LATENCY FROM TRAVELING THE
ENTIRE PATH ACROSS COUNTRY AND FROM CONGESTION WHILE THE EIN
HAD ALMOST NO LATENCY ON THE BACKBONE AND THE SERVRS WERE
ALSO NOT CAUSING LATENCY AND THEY WERE CLOSE TO THE USER. SO
HERE AGAIN SHE LIES.

TOMKO GETS HER TO ADMIT SHE WENT TO WORK FOR VECTRIX PER BILL COLLINS REQUEST AND SETS UP THAT THERE WAS A CREDIT CARD PART AND AN INTERNET PART BUT NEVER ADMITS IT WAS THE STREAMING SERVICE BUSINESS SHE WENT TO VECTRIX TO WORK ON AND SHE TOOK SOFTWARE FROM ENRON WHEN SHE LEFT. NEED TO GET HER ON THIS ONE.

TOMKO GETS HER TO ADMIT SHE RECEIVED 50,000 OPTIONS WHEN SHE LEFT ENRON AND SHE HAD 26,500 OPTIONS AT ENRON. SO HER EARLIER STATEMENT THAT SHE LEFT ALL THIS MONEY ON THE TABLE BECAUSE SHE WAS SO ETHICAL AND THINGS WERE ILLEGAL WAS NOT POINTED OUT HERE AGAIN SO SHE JUST ADMITS TO GETTING MORE OPTIONS BUT DOES NOT TIE IT TO HER MOTIVATION TO LEAVE ECI.

811:17 The servers -- dealing with latency issues?

811:18 Q. Yeah, to make sure that latency wasn't an issue, it wasn't
811:19 a problem?

811:20 A. We didn't do anything special, we ran Solaris Operating
811:21 System and we relied on the networks. So that's why I said
811:22 distributed servers don't solve a latency problem.

811:23 Q. Okay. I guess when you left, you had another offer,
811:24 didn't you?

811:25 A. Yes, I did.

812:1 Q. And who was that offer with?

812:2 A. Vectrix.

812:3 Q. Did you know anybody already at Vectrix when you took that
812:4 offer? Was there anybody there you knew?

812:5 A. Yes.

812:6 Q. Who was that?

812:7 A. Bill Collins.

812:8 Q. And who's Bill Collins?

812:9 A. He worked for Enron in the business development capacity
812:10 directly for Scott Yeager.

812:11 Q. And you had worked with Mr. Collins in the past?

812:12 A. I worked with him briefly, but not much while I was at
812:13 Enron.

812:14 Q. Okay. How long did you work with him at the new position?

812:15 A. I worked at Vectrix for a year.

812:16 Q. How long did he work there?

812:17 A. I honestly don't recall.

812:18 Q. Did he leave before you or after you?

812:19 A. He left before me, I believe.

812:20 Q. Did Vectrix succeed or did it go belly up?

812:21 A. That one's actually a two-part question. The answer is

812:22 yes and no. Yes, the credit card business succeeded and is

812:23 currently profitable after it came out of bankruptcy court.

812:24 No, the full service provider portion of it did not.
812:25 Q. Did you get any stock options from Vectrix when you went
813:1 over there?
813:2 A. Yes, I did.
813:3 Q. And how did that work out? How did that happen?
813:4 A. How did that happen?
813:5 Q. Yeah. I mean, was that a negotiated thing going in?
813:6 A. Yes.
813:7 Q. All right. And how many stock options did you get over
813:8 there, just out of curiosity?
813:9 A. I believe it was 50,000.
813:10 Q. So you got 50,000 over there when you walked away from how
813:11 many at Enron?
813:12 A. At Enron, I had a total of 25,600.
813:13 Q. Okay. So you left 25,600 and you walked into 50,000?
813:14 A. But they weren't equal.
813:15 Q. They weren't equal?
813:16 A. No.
813:17 Q. Okay. And did you ever expect them to be equal?
813:18 A. I don't know that I had any -- well, did I have hopes that
813:19 the 50,000 options would turn into something some day?
813:20 Absolutely. I wanted the company to succeed.
813:21 Q. When you worked at ENI -- excuse me, when you worked at
813:22 ECI and had the ECI options?
813:23 A. Uh-huh.
813:24 Q. You couldn't sell those, could you?
813:25 A. No, I would have to stay there a year and vest with --
814:1 Q. And --
814:2 THE COURT: Slow down, Mr. Tomko. You're stepping on
814:3 her answers.
814:4 MR. TOMKO: I know. I'm sorry.
814:5 THE COURT: What's the end of your answer, I'm sorry?
814:6 THE WITNESS: I had options that vested 25 percent
814:7 each year for four years, which is an industry standard to do.
814:8 Q. (BY MR. TOMKO) But if Enron had not made ECI core, in
814:9 order for those options to vest at all to be marketable,
814:10 someone would have had to register that stock with the SEC?
814:11 A. Yes, the company would have had to have an initial public
814:12 offering.
814:13 Q. When you arrived at ECI, did people tell you it was going
814:14 to become a core business of Enron?
814:15 A. No.
814:16

TONY NAILS HER ON THE TITLE OF BEING AN ENGINEER AND SHOWS IT IS NOT THE SAME AS A REAL ENGINEER OR A PROFESSIONAL ENGINEER BUT MORE LIKE A MUD ENGINEER. GOOD JOB.

816:1 (BY MR. CANALES) Are you a professional engineer like we
816:2 have in Texas?

816:3 A. No, I do not have a degree in engineering.

816:4 Q. Are you a registered engineer like we have them here in
816:5 Texas?

816:6 A. No.

816:7 Q. Well, the reason I asked is because, did you intend to
816:8 leave the impression with the jury or especially with me that
816:9 you were some type of engineer?

816:10 A. My title was Senior Defense Engineer at Enron.

816:11 Q. Well, I know that was your title. Have you ever heard of
816:12 a title, for example, called "mud engineer" here in Texas?

816:13 We've got a lot of mud engineers, by the way, in the oil
816:14 patch.

816:15 A. Okay.

816:16 Q. All right? Now, that's just somebody who makes that
816:17 title. The title that you have, does it come with a diploma?

816:18 That's what I want to know.

816:19 A. Senior Systems Engineer?

816:20 Q. Yeah.

816:21 A. Does it come with a diploma?

816:22 Q. Yeah.

816:23 A. No.

TONY GETS HER TO ADMIT SHE WAS NOT SURE IF THE GOV WAS GOING TO PROSECUTE HER OR NOT AND SHE WOULD NOT ADMIT TO READING UP TO PREPARE FOR THE TESTIMONY OR THE GOV PUTTING ANY PRESSURE ON HER LIKE SHE MIGHT GET INDICTED BECAUSE SHE SOLD STOCK KNOWING THERE WERE ILLEGAL/UNETHICAL THINGS GOING ON AT THE TIME. SHE IS VERY EVASIVE.

821:16 (BY MR. CANALES) Have you been able to view, before coming
821:17 here today, the raw footage of your video that was taken
821:18 sometime in December of the year 1999, that was shown here
821:19 today in clips?

821:20 A. Yes, I received the -- the government showed me the video.

821:21 Q. All right. And when did the government show you that
821:22 video?

821:23 A. It was in probably the last two months, when I came down
821:24 here.

821:25 Q. And so how did you prepare or what did you read before
822:1 coming here today to testify?

822:2 A. With regards to the video?
822:3 Q. Yes.
822:4 A. I didn't read anything regarding the video.
822:5 Q. You saw the video; right?
822:6 A. I saw the video.
822:7 Q. Very well. And did you also, by the way, before coming
822:8 here today, happen to read your grand jury testimony?
822:9 A. Before I came here today? I read it -- since I've given
822:10 the grand jury testimony, yes, I have a copy of it and I did
822:11 read it for a court reporter to make sure that they had the
822:12 right words and spellings, because I was asked to. Yes, I've
822:13 read my grand jury testimony.
822:14 Q. Did you read your grand jury testimony any time within the
822:15 last 10 days?
822:16 A. No, I haven't.
822:17 Q. What did you read within the last 10 days to prepare
822:18 yourself to come here to testify?
822:19 A. The only things that I have read are the press releases
822:20 that I've reviewed, that are in this binder. That's pretty
822:21 much it. I did see the Yahoo news yesterday about the trial,
822:22 but that was pretty much it. I don't know that that was
822:23 preparing for the trial so much as fear about having to come
822:24 testify.
822:25 Q. Let me ask you this: Did you happen to read -- did you
823:1 happen to read any of the so-called FBI 302 reports?
823:2 A. I have no idea what a 302 report is.
823:3 Q. Very well. Did you happen to sit down -- what's with that
823:4 agent that you sat down with this morning and yesterday to be
823:5 able to review your testimony?
823:6 A. Could you ask that again? I don't know that I followed
823:7 everything.
823:8 Q. You told us early today that either this morning or
823:9 sometime yesterday you met with the agents.
823:10 A. Yes, I met with them.
823:11 Q. Did you talk about your testimony coming here today?
823:12 A. Yes.
823:13 Q. All right. And did they read you anything?
823:14 A. Did they read me anything?
823:15 Q. Yeah, did they read anything to you?
823:16 A. I don't recall them reading anything to me. They asked me
823:17 questions and they told me what to expect in the room, where
823:18 this box was going to be sitting, and that I would be a little
823:19 probably nervous because there is a lot of people that are
823:20 sitting listening to me talk.
823:21 Q. Well, at any point in time, did any of these agents tell
823:22 you, "Look, don't worry about it, you haven't done anything

823:23 wrong. All you have to do, Ms. Meyer, is go to the stand and
823:24 testify, tell the truth and nothing is going to happen to you?
823:25 A. No, I don't recall -- they didn't say anything like that.
824:1 Q. Has anybody ever told you that?
824:2 A. No.
824:3 Q. Because you did sell some stock, right, some Enron stock?
824:4 A. Yes, I did.
824:5 Q. You sold the stock sometime after January 20th of '00, did
824:6 you not?
824:7 A. Yes.
824:8 Q. All right. And when you sold the stock -- you told us
824:9 already, when you sold the stock after January 20th of '00,
824:10 before that, you believe you had inside information regarding
824:11 some bad conduct going on within the company?
824:12 A. I did not. I did not state that I had inside information.
824:13 Q. Well, I thought you told us you knew about unethical
824:14 information.
824:15 A. I said that I had left the company due to unethical
824:16 behavior in the Enron Broadband Division.
824:17 Q. And did the government know, by the way, when you
824:18 testified for the grand jury, when you were interviewed by
824:19 them, that you had sold the stock?
824:20 A. Yes.
824:21 Q. And you had made some money with it?
824:22 A. Yes.
824:23 Q. Did they ask you anything about that issue, about what did
824:24 you know or didn't know when you sold the stock?
824:25 A. They asked me a lot of questions. They asked me how much
825:1 money, they asked me for my Social Security number. You know,
825:2 I disclosed everything to everybody.
825:3 Q. But whatever happened at least five years ago, you have
825:4 never had any fear of being prosecuted for any of the actions
825:5 that you took?
825:6 A. Have I had the fear?
825:7 Q. Yeah.
825:8 A. I don't think I -- I don't know. You know, after seeing
825:9 all of this and having people show up at --
825:10 Q. Excuse me, just answer me if you had any fear, yes or no,
825:11 ma'am? Forgive me. Did you have any fear of being prosecuted
825:12 for any of the actions that you took?
825:13 A. Did I have fear? Yeah, I am human, I had fear about that.
825:14 Q. You had fear of being prosecuted by the government?
825:15 A. Yeah, I'm human.
825:16 Q. What was the area or what caused you to have this fear?
825:17 What facts did you have within your knowledge that caused you
825:18 to have that fear that perhaps you were going to be prosecuted

825:19 for something?

825:20 A. It's not normal to have an FBI agent get in touch with
825:21 you. So one might just kind of wonder what the heck's going on
825:22 and, in general, kind of be a little fearful about why the FBI
825:23 is in my life.

825:24 Q. Very well. And so you had fear that perhaps they might be
825:25 looking at you, investigating you for something?

826:1 A. I think it's the unknown that gives you that fear. You
826:2 don't know why.

826:3 Q. So, in this particular case with you, did you ever ask any
826:4 of these agents or the prosecutors whether or not you were
826:5 going to be looked at or subject of the investigator or perhaps
826:6 prosecuted for any acts that you took while you were at Enron?

826:7 A. Have I asked them that?

826:8 Q. Yeah.

826:9 A. I don't recall asking that question, but I'm sure I
826:10 probably have and I know that the conversations that I have
826:11 had, they have not addressed that at all.

826:12 Q. Well, did you address that to your lawyer, for example?
826:13 Did you ask your lawyer, "Hey, find out if they're looking at
826:14 me"?

826:15 MR. STRICKLIN: Excuse me, I'm sorry, objection, Your
826:16 Honor, what she told the lawyer.

826:17 THE COURT: Objection sustained.

826:18 Q. (BY MR. CANALES) As far as you're concerned today, those
826:19 fears have gone; is that correct?

826:20 A. No.

826:21 Q. You feel you're going to be prosecuted by the government?

826:22 A. I have no idea what the government intends to do. I was
826:23 here to give truthful testimony, which I'm doing in answering
826:24 your questions and everyone else's. And, you know, there has
826:25 been no agreement that anything, you know, one way or the other
827:1 is miraculously solved by me walking out of this room.

827:2 Q. I see. Well, you would like to cooperate; correct?

827:3 A. Yes.

827:4 Q. And just like when Enron asked you to cooperate in the
827:5 formation or the creation of a video sometime in December of
827:6 1999, you agreed to it; right?

827:7 A. Yes.

827:8 Q. And did anybody prepare a script for you and say, "You've
827:9 got to say these things"?

827:10 A. They asked me very specific. Did they give me a script?

827:11 No. They did give me direction of what they wanted me to speak
827:12 about and they asked me off camera to speak about certain
827:13 things.

827:14 Q. Sure. They gave you a topic; correct?

827:15 A. Yes.

827:16 Q. All right. And my question is, did they also give you the
827:17 answer?

827:18 A. No, and neither has the government.

827:19 Q. So I'm going to ask --

827:20 MR. CANALES: It's already in evidence, Your Honor,
827:21 the videotape that Mr. Per Ramfjord -- why not names like
827:22 Canales or Garcia, real Texas names?

827:23 THE COURT: You've got to buy a vowel.

827:24 THE WITNESS: Mine's easy.

827:25 Q. (BY MR. CANALES) All right, let me stop just a second.

828:1 I have here the complete video that was taken of you
828:2 on that day in December of 1999. And will you agree with me
828:3 that this video we can very well call the rough footage because
828:4 there are people -- the videographer is stopping and asking
828:5 questions, you know, asks you a question, repeat the question
828:6 again, that kind of a thing? Do you recall that?

828:7 A. I recall that, but they didn't videotape everything that
828:8 was happening.

828:9 Q. Now, so the jury can know, do you know whether or not this
828:10 particular tape --

828:11 MR. CANALES: What's the number?

828:12 MR. RAMFJORD: Give me a moment.

828:13 Q. (BY MR. CANALES) Well, we're going to give it a short
828:14 name: Shawna Meyer 12?

828:15 A. Okay.

828:16 Q. Can we agree that from this particular tape, versions were
828:17 cut and inserted into a video that was played at the Analyst
828:18 Conference?

828:19 A. As I don't know anything about the video editing
828:20 procedures of this, I can say that this is a video I did.

828:21 Q. Back up. Have you seen the video of the 2000 Analyst
828:22 Conference, yes or no?

828:23 THE COURT: Are you talking about this video or
828:24 another video, I'm sorry?

828:25 Q. (BY MR. CANALES:) Have you seen the video -- a video of
829:1 the 2000 Enron Analyst Conference?

829:2 A. I've seen only a portion of it.

829:3 Q. Did you see a portion of the 2000 Analyst Conference where
829:4 you -- you are addressing the analysts via videotape?

829:5 A. I know there was a videotape used at the Analyst
829:6 Conference. To be honest, I know I read the transcript of what
829:7 I said. I don't know that I've actually seen the video,
829:8 because I'm trying really hard to remember. I know I've seen
829:9 this full video. I can't say I've seen the Analyst -- the
829:10 specific one. I have seen transcripts of the Analyst

829:11 Conference.
829:12 Q. So you know that either all of it or part of your video
829:13 that was taken in December of 1999 appeared at the 2000 Enron
829:14 Analyst Conference?
829:15 A. Yes, I wasn't aware of what they used, though.
829:16 Q. All right, we'll get to see the difference.
829:17 Now, the next thing is, this particular video that
829:18 we're showing here, what I'm calling for the purpose of the
829:19 record SM12, you see at the bottom it has a transcript there.
829:20 You see it there?
829:21 A. Yes.
829:22 Q.

TONY TRIES TO GET HER TO ADMIT HER VIDEO WAS POSITIVE AND
UPBEAT ABOUT EBS BUT SHE TRIES TO SAY IT WAS JUST THE PEOPLE SHE
WORKED WITH AND TRIES TO IMPLY SHE HAD TO DO THE VIDEO BECAUSE
SHE WAS ASKED TO DO IT BUT REALLY TRIES TO IMPLY SHE HAD NOT
CHOICE BUT TO BE POSITIVE. VERY SLIPPERY

833:20 Q. (BY MR. CANALES) Before we begin, you told us that you
833:21 saw -- you read a transcript of this footage before coming here
833:22 today?
833:23 A. No. I read a transcript of the Analyst Conference.
833:24 Q. Very well. But you have seen this video before, what I
833:25 call the raw footage?
834:1 A. Yes, the government showed it to me, but I don't recall a
834:2 lot of it.
834:3 Q. And do you recall -- so I can give some highlights, do you
834:4 recall at all whether or not you were fully aware that when you
834:5 were making this statement that will be portrayed in this
834:6 video, did you know you were being videotaped?
834:7 A. The entire time?
834:8 Q. Sure.
834:9 A. I don't know when they had the video camera on and off.
834:10 Q. All right. But did you give your permission and consent
834:11 to be videotaped?
834:12 A. Yes, I did.
834:13 Q. And whatever -- we've seen pieces of this already this
834:14 morning.
834:15 A. Uh-huh.
834:16 Q. All right. But there were some part of it that were not
834:17 played. I will not be able to play the whole tape so the whole
834:18 thing can be seen in context, but I would like specifically to
834:19 ask you right now, do you recall any type of comments that you
834:20 made at this point in time about the Enron stock?
834:21 A. No, I don't recall.

834:22 Q. Do you know whether or not you were instructed by anybody
834:23 at Enron to comment about the Enron -- the value of the Enron
834:24 stock?

834:25 A. Not that I remember, no.

835:1 Q. I tell you what, let's just play the video.

835:2 MR. STRICKLIN: Your Honor, Your Honor.

835:3 THE COURT: Mr. Stricklin.

835:4 MR. STRICKLIN: We would ask -- this was admitted, it
835:5 was admitted, Mr. Ramfjord said, for -- that six seconds he
835:6 offered, we had no objection to that.

835:7 THE COURT: No, wait a minute. Stop, don't go into
835:8 that. I asked you if you had any objection and you said no,
835:9 and we went ahead and admitted the entire tape. The whole tape
835:10 is in.

835:11 MR. CANALES: Can we have -- Judge, I think you have
835:12 to press a magic button somewhere.

835:13 THE COURT: Oh, I'm sorry, I'm sorry.

835:14 Q. (BY MR. CANALES) First of all, is this you?

835:15 A. Unfortunately, yes, that's me.

835:16 [Video of Shawna Meyer Interview was played.

835:17 Transcript is provided in Defendant Yeager's

835:18 Exhibit Y-D 4313.]

835:19 Q. (BY MR. CANALES) Is that an accurate portrayal of your
835:20 state of mind -- of your state of mind back in December of
835:21 1999?

835:22 A. I loved working with the people at Enron.

835:23 Q. Is that a yes or no? Is that an accurate portrayal, what
835:24 you just heard here, about your state of mind in December of
835:25 1999?

836:1 A. As it relates to people I worked with, yes.

836:2 Q. As it relates to them, you loved the company, you loved
836:3 coming to work, all those things, or are you making -- is this
836:4 video -- let me back up. I want to be sure --

836:5 MR. CANALES: Excuse me, Your Honor, let me get this
836:6 chart back.

836:7 THE COURT: Pardon me?

836:8 MR. CANALES: Let me get this. It's already in
836:9 evidence.

836:10 Q. (BY MR. CANALES:) Mr. Stricklin showed you this
836:11 particular exhibit.

836:12 MR. STRICKLIN: Demo 1.

836:13 Q. (BY MR. CANALES) Demo 1. I did not hear you mention or
836:14 complain or say anything regarding any of these topics in this
836:15 table, or did I miss it?

836:16 A. I was asked to talk about Media Cast.

836:17 Q. Did anything prevent you at all from discussing any of the

836:18 items here?

836:19 A. Yes.

836:20 Q. What prevented you?

836:21 A. I'd like to stay employed with the company. I don't think

836:22 it would be wise to speak badly in front of the company,

836:23 especially when you're asked to do a videotape.

836:24 Q. Wait a minute. I thought you told us you volunteered to

836:25 do this videotape.

837:1 A. I was asked to do this videotape.

837:2 Q. And you could have said no; right?

837:3 A. I guess I would like -- I don't if you're married, sir,

837:4 but if your wife asks you to do something, do you say no?

837:5 Q. I run the show, I'm sorry. I'm a cowboy from South

837:6 Texas. I run my show. At least what my wife tells me.

837:7 THE COURT: Somebody get this copy and take it to his

837:8 wife.

837:9 A. Sorry. It's not easy to say no to your boss when they ask

837:10 you to do something.

837:11 Q. (BY MR. CANALES) Did anybody tell you to lie?

837:12 A. I did not lie.

837:13 Q. All right. Did anybody tell you to conceal anything?

837:14 A. They asked me specific things about Media Cast. I

837:15 answered those questions.

837:16 Q. Did the FBI ask you -- by the way, when they showed you

837:17 this film, the video, did they ask you to comment on it?

837:18 A. Did they ask me to comment on it?

837:19 Q. Yeah.

837:20 A. Not really.

837:21 Q. Well, this video which we have seen here, would you agree

837:22 that's a pretty positive video?

837:23 A. I'm a pretty positive person, I like to think.

837:24 Q. I know you have this nice laugh about you constantly, and

837:25 I heard it a while ago. Is this something that, for example --

838:1 why do you think you were selected?

838:2 A. For?

838:3 Q. To make this video. Why were you selected of all the

838:4 engineers? How many engineers were working out there?

838:5 A. No clue. Well, how many engineers, I would hate to do a

838:6 count. But why I was selected?

838:7 Q. Yeah.

838:8 A. No idea. I was asked to do it. I did it.

838:9 Q. Now, do you recall whether or not, by the time that you

838:10 made this videotape, whether or not your friend, Jim Collins --

838:11 William Collins, Bill Collins, had he left the company already

838:12 or was he still there?

838:13 A. I believe he was still employed. I couldn't tell you when

838:14 he left the company.
838:15 Q. But we know one thing, that you joined the company with
838:16 Bill Collins, correct, another company?
838:17 A. I joined the company that had Bill Collins working there,
838:18 yes.
838:19 Q. When you joined the other company that had Bill Collins,
838:20 what was the name of that company again?
838:21 A. Vectrix.
838:22 Q. Vectrix. Can you just spell it for the record for me?
838:23 A. V-e-c-t-r-i-x.
838:24 Q. When you went to work for the company, where were you in
838:25 relation to Mr. Collins in the so-called pecking order? Was he
839:1 above you, below you, was he your supervisor?
839:2 A. I'm trying to recall.
839:3 Q. Huh?
839:4 A. I'm trying to recall.
839:5 Q. You're trying to recall?
839:6 A. Yeah. You may have been my direct supervisor, though I
839:7 worked with Clay Hosterman.
839:8 Q. So did he recruit you to go work for Vectrix?
839:9 A. Did he recruit me?
839:10 Q. Yes.
839:11 A. No.
839:12 Q. Did somebody recruit you?
839:13 A. Yes, I was recruited by Clay Hosterman and the Vectrix
839:14 management team.
839:15 Q. All right. And when you were recruited to go work for
839:16 them, I take it that your job was basically a similar job that
839:17 you had performed for Enron?
839:18 A. Yes, it was similar, but different. It was to work on
839:19 credit card processing.
839:20 Q. It was what?
839:21 A. To work on their credit card processing environment.
839:22 Q. And in that regard, when you were working for that
839:23 company, you told us -- I don't want to repeat the testimony.
839:24 It's already been asked regarding your shares of stock there.
839:25 Did you lose your job from at Vectrix after six months because
840:1 of the bankruptcy?
840:2 A. No.
840:3 Q. How long did y'all stay open?
840:4 A. I don't know how long they stayed open. I worked there
840:5 for a year and then went to Veritas Software.
840:6 Q. And while you were is when they filed for bankruptcy?
840:7 A. No.
840:8 Q. Shortly after you left, they filed for bankruptcy?
840:9 A. I don't know exactly when they filed for bankruptcy, but

840:10 it was after I left.
840:11 Q. And I take it that the value of your stock at that
840:12 particular company was not worth much?
840:13 A. It hadn't vested.
840:14 Q. So it was not worth much to you at all?
840:15 A. Wasn't worth anything.
840:16 Q. So it was not worth much to you?
840:17 A. Correct.
840:18 Q. I'm the one asking the questions.
840:19 A. Sorry.
840:20 Q. All right. Now, you told us one more thing that I would
840:21 like to be able to cover with you. This particular video
840:22 talked about this issue of the hundred thousand streams, and
840:23 then you give an explanation, in five more months, six more
840:24 months, we're going to have 500,000 streams. Did you hear
840:25 that?
841:1 A. Yes.
841:2 Q. That was true, wasn't it?
841:3 A. There was a roadmap to implement those streams, yes.
841:4 Q. Was it true that at the Drew Carey event, you completed a
841:5 project of having at least a hundred thousand streams?
841:6 A. No. I said we had a hundred thousand streams. At the
841:7 Drew Carey project we had 15,000 streams.
841:8 Q. I didn't hear that. I heard something about a hundred
841:9 thousand streams a while ago.
841:10 A. A hundred thousand streams for the Media Cast product,
841:11 which is Real Network's and the Windows Media Server
841:12 environment. That as a total had a hundred thousand streams.
841:13 Q. Did you consider -- did you personally consider this whole
841:14 thing, Drew Carey thing, to be a success?
841:15 A. Yeah, I said that was a success.
841:16 Q. And when you state that the company had a vision, remember
841:17 that part of the tape?
841:18 A. Yes.
841:19 Q. What vision were you talking about?
841:20 A. The vision that I was talking about?
841:21 Q. Yeah.
841:22 A. I was talking about the vision with regards to the Media
841:23 Cast product.
841:24 Q. So I guess the best way to find out what you really meant
841:25 would be -- not today, but at some point in the future -- for
842:1 the jury to be able to look at this tape and see exactly what
842:2 you said; correct?
842:3 A. I'm sorry?
842:4 Q. The best way to decide today as to what you meant or said
842:5 was to be able to slowly go through this particular exhibit at

842:6 some time in the future and review it and see what you said
842:7 regarding the company's vision; correct?

842:8 A. I think I've done a really good job explaining everything
842:9 here. So, I mean, I wouldn't suppose to know what's their best
842:10 way to make their own decisions.

842:11 Q. Well, this issue of the success of the company, by the
842:12 way, you describe the company as a great company, people to
842:13 work with?

842:14 A. Yeah, I described that the people I worked with, I liked
842:15 working with them and it made it fun to come to work.

842:16 Q. And you loved what you did?

842:17 A. I did. I worked on really cool technology.