

Exhibit 1

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF VIRGINIA
NORFOLK DIVISION**

I/P ENGINE, INC.

Plaintiff,

v.

AOL, INC., *et al.*,

Defendants.

Civil Action No. 2:11-cv-512

DEFENDANTS' PROPOSED VERDICT FORM

Defendants Google, Inc., AOL Inc., IAC Search & Media, Inc., Gannett Co., Inc., and Target Corp. ("Defendants") propose the following verdict form. Defendants' proposed verdict form is made without waiver of Defendants' pending motions, which if granted, may render portions of the following unnecessary. Defendants further reserve the right to amend, supplement, or modify this proposed verdict form in light of further developments, including any remaining fact or expert discovery, and based on the evidence and arguments presented at trial. Defendants expect that the parties will meet and confer to refine the proposed verdict form as events continue to narrow the issues.

This is the verdict form. It contains all of the questions set forth in the Jury Instructions. Once you have reached unanimous agreement on a verdict, the foreperson must fill in this verdict form, sign and date it, and advise the court that you have reached a verdict.

QUESTION NO. 1.

Has Plaintiff I/P Engine proven, by a preponderance of the evidence, that Google's AdWords directly infringes claims 10, 14, 15, 25, 27 and 28 of U.S. Patent No. 6,314,420 ("the '420 patent")?

Answer "Yes" or "No" for each claim.

Claim 10: _____

Claim 14: _____

Claim 15: _____

Claim 25: _____

Claim 27: _____

Claim 28: _____

QUESTION NO. 2.

Has Plaintiff I/P Engine proven, by a preponderance of the evidence, that Google's AdSense for Search directly infringes claims 10, 14, 15, 25, 27 and 28 of U.S. Patent No. 6,314,420 ("the '420 patent")?

Answer "Yes" or "No" for each claim.

Claim 10: _____

Claim 14: _____

Claim 15: _____

Claim 25: _____

Claim 27: _____

Claim 28: _____

QUESTION NO. 3.

Has Plaintiff I/P Engine proven, by a preponderance of the evidence, that Google's AdSense for Mobile Search directly infringes claims 10, 14, 15, 25, 27 and 28 of U.S. Patent No. 6,314,420 ("the '420 patent")?

Answer "Yes" or "No" for each claim.

Claim 10: _____

Claim 14: _____

Claim 15: _____

Claim 25: _____

Claim 27: _____

Claim 28: _____

QUESTION NO. 4.

Has Plaintiff I/P Engine proven, by a preponderance of the evidence, that Google's AdWords directly infringes claims 1, 5, 6, 21, 22, 26, 28 and 38 of U.S. Patent No. 6,775,664 ("the '664 patent")?

Answer "Yes" or "No" for each claim.

Claim 1: _____

Claim 5: _____

Claim 6: _____

Claim 21: _____

Claim 22: _____

Claim 26: _____

Claim 28: _____

Claim 38: _____

QUESTION NO. 5.

Has Plaintiff I/P Engine proven, by a preponderance of the evidence, that Google's AdSense for Search directly infringes claims 1, 5, 6, 21, 22, 26, 28 and 38 of U.S. Patent No. 6,775,664 ("the '664 patent")?

Answer "Yes" or "No" for each claim.

Claim 1: _____

Claim 5: _____

Claim 6: _____

Claim 21: _____

Claim 22: _____

Claim 26: _____

Claim 28: _____

Claim 38: _____

QUESTION NO. 6.

Has Plaintiff I/P Engine proven, by a preponderance of the evidence, that Google's AdSense for Mobile Search directly infringes claims 1, 5, 6, 21, 22, 26, 28 and 38 of U.S. Patent No. 6,775,664 ("the '664 patent")?

Answer "Yes" or "No" for each claim.

Claim 1: _____

Claim 5: _____

Claim 6: _____

Claim 21: _____

Claim 22: _____

Claim 26: _____

Claim 28: _____

Claim 38: _____

QUESTION NO. 7.

Do you find that Defendants have proven, by clear and convincing evidence, that any of the following claims of the '420 patent are invalid for the following reasons?

“Yes” means the claim is invalid.

“No” means the claim is not invalid.

A. Because it is anticipated by the prior art?

Answer “Yes” or “No” for each claim.

Claim 10: _____

Claim 14: _____

Claim 15: _____

Claim 25: _____

Claim 27: _____

Claim 28: _____

B. Because it is rendered obvious by the prior art?

Answer “Yes” or “No” for each claim.

Claim 10: _____

Claim 14: _____

Claim 15: _____

Claim 25: _____

Claim 27: _____

Claim 28: _____

C. Because it lacks an adequate written description?

Answer "Yes" or "No" for each claim.

Claim 10: _____

Claim 14: _____

Claim 15: _____

Claim 25: _____

Claim 27: _____

Claim 28: _____

QUESTION NO. 8.

Do you find that Defendants have proven, by clear and convincing evidence, that any of the following claims of the '664 patent are invalid for the following reasons?

“Yes” means the claim is invalid.

“No” means the claim is not invalid.

A. Because it is anticipated by the prior art?

Answer “Yes” or “No” for each claim.

Claim 1: _____

Claim 5: _____

Claim 6: _____

Claim 21: _____

Claim 22: _____

Claim 26: _____

Claim 28: _____

Claim 38: _____

B. Because it is rendered obvious by the prior art?

Answer “Yes” or “No” for each claim.

Claim 1: _____

Claim 5: _____

Claim 6: _____

Claim 21: _____

Claim 22: _____

Claim 26: _____

Claim 28: _____

Claim 38: _____

C. Because it lacks an adequate written description?

Answer "Yes" or "No" for each claim.

Claim 1: _____

Claim 5: _____

Claim 6: _____

Claim 21: _____

Claim 22: _____

Claim 26: _____

Claim 28: _____

Claim 38: _____

If you have found that any of the claims were infringed by Google and are valid (i.e., you have answered “yes” to any of the claims in Question 1, Question 2, or Question 3 and “no” to all sections of Question 7 for the corresponding claim OR you have answered “yes” to any of the claims in Question 4, Question 5, or Question 6 and “no” to all sections of Question 8 for the corresponding claim), then answer Question 9, Question 10, Question 11, Question 12, and Question 13. Otherwise, do not answer the following questions.

QUESTION NO. 9.

If you have found any claim of the ‘420 patent or the ‘664 patent to be both valid and infringed by Google, have Defendants proven by a preponderance of the evidence that Plaintiff I/P Engine forfeited its right to recover damages for activities occurring before September 15, 2011 under the doctrine of laches?

A “yes” is a finding for Defendants. A “no” is a finding for I/P Engine.

Answer (check one):

_____ Yes.

_____ No.

QUESTION NO. 10.

You have heard testimony that the hypothetical negotiation to determine the reasonable royalty would have occurred in 2004. You also have heard testimony that the hypothetical negotiation to determine a reasonable royalty would have occurred in 2010. If you have found any claim of the '420 patent or the '664 patent to be both valid and infringed by Google, is your damages analysis based on a hypothetical negotiation in 2004 or a hypothetical negotiation in 2010?

Answer (check one):

2004 _____; or 2010 _____.

QUESTION NO. 11.

You have heard testimony regarding a “lump sum paid up royalty,” which is a fixed amount paid to the patent holder regardless of the amount of use of the purported invention over time. You also have heard testimony regarding a “running royalty,” which is a royalty determined by the amount of use of the purported invention over time. If you have found any claim of the ‘420 patent or the ‘664 patent to be both valid and infringed by Google, should reasonable royalty damages be based on a “lump sum paid up royalty” or a “running royalty”?

Answer (check one):

“lump sum paid up royalty” _____; or “running royalty” _____.

QUESTION NO. 12.

If you have found that damages should be based on a “running royalty,” what should be the rate for that running royalty?

Answer as a percentage.

Running Royalty Rate: _____

QUESTION NO. 13.

If you have found any claim of the '420 patent or the '664 patent to be both valid and infringed by Google, what sum of money, if any, if paid now in cash, would fairly and reasonably compensate I/P Engine as a reasonable royalty for any infringement by Google that you have found?

Answer in dollars and cents, if any.

Answer: _____

Signed this _____ day of October, 2012.

JURY FOREPERSON

DATED: October 9, 2012

/s/ Stephen E. Noona

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CERTIFICATE OF SERVICE

I hereby certify that on October 9, 2012, I will electronically file the foregoing with the Clerk of Court using the CM/ECF system, which will send a notification of such filing (NEF) to the following:

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