

## ADAM CAROLLA REJECTS DISMISSAL FROM PODCASTING LAWSUIT

## **Carolla Continues To Raise Unneeded Money From Fans to Fund Dispute**

**BEAUMONT, TX - July 29, 2014** - Personal Audio, the pioneers in personalized media solutions, this month offered to dismiss Adam Carolla (and his podcasting company, Lotzi Digital, Inc.) from its highly publicized patent infringement lawsuit. In May and June of this year, Personal Audio dismissed Togi Net and How Stuff Works, the other podcasting defendants, from the same lawsuit. The offer made by Personal Audio, however, to dismiss Adam Carolla has now been rejected by the comedian. Furthermore, his agents have indicated that he will continue to raise money through FundAnything.com, a site where he has already solicited \$450,000.

When Personal Audio first began its litigation, it was under the impression that Carolla, the self-proclaimed largest podcaster in the <u>world</u>, as well as certain other podcasters, were making significant money from infringing Personal Audio's patents. After the parties completed discovery, however, it became clear this was not the case. As a result, Personal Audio began to offer dismissals from the case to the podcasting companies involved, rather than to litigate over the smaller amounts of money at issue.

"We are quite surprised that Carolla has turned down the offer that was accepted by his peers. Perhaps this is because he feels he can simply get his fans to fund his future, and now unnecessary, legal expenses. Or perhaps it relates to how he uses the case as material for his show," said Brad Liddle, CEO of Personal Audio, LLC. "The fact of the matter is that Adam Carolla is asking people to donate money to him for a lawsuit that he no longer needs to defend. We would like his listeners to understand this situation when deciding whether or not to donate additional money to his cause."

Personal Audio is continuing its licensing campaign and focusing its efforts in other areas. The Company has always sought a reasonable royalty for its intellectual property, specifically one that would not impede or damage the business models of companies that licensed its patents, including podcasters. The fact that the suits are being dismissed is testament to the low royalty rates that would be applied to podcasting. "Adam Carolla's assertions that we would destroy podcasting were ludicrous on their face. But it generated sympathy from fans and ratings for his show. Getting his fan base to continue to donate to his legal fund is a cynical exploitation of the publicity power he enjoys as an entertainer," said Liddle.

Adam Carolla also publicly continues to mischaracterize Personal Audio for his own reasons. In particular, he has implied that Personal Audio bought the patent that is the subject of this suit. The fact of the matter is that the original inventors of the patent, and related parties, own the company.

**ABOUT PERSONAL AUDIO LLC:** Personal Audio Inc., was founded in 1996 by James Logan, an inventor and entrepreneur, with a mission of offering personalized media over the Internet. The company worked to develop a media player that could download, store and manipulate files to fulfill this mission. This system, along with related ideas, was described in several patent applications filed in October 1996.

Personal Audio's pioneering playlist technologies are commonly used today in smartphones, tablets and other devices that store and play audio and video files and work with downloaded playlists.

In 2008, Personal Audio, LLC was formed in order to license the then issued patents. In 20099, Personal Audio was issued a patent covering its groundbreaking innovations in the distribution of serialized online media, the "Episodic Content Patent." These techniques are commonly used today in the distribution of serialized television shows. Learn more at www.personalaudo.net

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