

Statement of Miki Mullor – January 30th, 2009

In response to numerous requests for comments regarding a lawsuit filed against me in Washington, I would like to make the following comments.

I am the inventor of U.S. Patent No. 6,411,941 relating to software anti-piracy technology, and Ancora is my company.

I applied for my patent in 1998. In 2002, the patent issued from the United States Patent and Trademark Office. In 2003, I approached Microsoft and had several discussions with a Microsoft lawyer and employees of Microsoft's Anti Piracy group about my invention and the benefits Microsoft could realize by using it. Microsoft declined and said they had no interest in my invention.

After 3 years of working at a start up without salary and benefits, and with a first child about to be born, it was time for me to move on and look for a job to support my family. We ceased business operations at Ancora in 2005, and Microsoft was the first company to extend me an employment offer. I accepted. In early 2006, I moved my family to Seattle from Los Angeles, bought a house and focused on my new career at Microsoft. I enjoyed my job very much, and Microsoft commended my work and even promoted me.

When I joined Microsoft, I notified them in writing of Ancora and my patent in both my resume and in my employment agreement. In its complaint against me, Microsoft withheld the portions of these key documents that show this.

At the same time I was employed at Microsoft, but unknown to me, Microsoft was developing what is now known as "OEM Activation." OEM Activation is installed on computers made by HP, Dell, Toshiba and others (called OEMs) to prevent piracy of Microsoft's Windows Vista software installed on those computers. This work was being done in a different department at Microsoft.

OEM Activation is a blatant copy of my invention. In fact, the same Microsoft person that I explained my invention to back in 2003 was involved in the development of OEM Activation.

In June 2008, my company Ancora filed a patent infringement lawsuit against HP, Dell and Toshiba in the federal court in Los Angeles. Microsoft fired me for trying to protect my own invention --- an invention I told them about before they ever hired me. Microsoft was added to the Los Angeles case shortly after I was fired.

Recently, Microsoft filed a retaliation suit against me personally in Seattle. Microsoft accuses me of lying, deceit, fraud and misappropriation. These are shameful, dishonest attacks on my character by Microsoft – the company that stole my idea in the first place. Their attacks are untrue, and they hurt me and my family.

Microsoft basically admits stealing my idea in the complaint they filed because they are asking for a license to my patent. Microsoft would only need a license to my patent if they were infringing it in the first place.

My patent case in Los Angeles has been going on for several months now with substantial progress. Clearly, Microsoft and the PC OEMs realized that they have no defense on the merits of the patent case. They are now looking for ways to avoid being held liable for their actions -- they stole the technology, they're infringing our patent, and the use of our invention by Microsoft and the OEM's has generated millions of dollars in profits that would have otherwise been lost to piracy.

Microsoft's complaint against me in Washington is a shameful and a desperate attempt to put pressure on me and my family from continuing to pursue our legal rights in the federal court in Los Angeles. We will not stop until the truth comes out. We are ready to take the stand for all other inventors and entrepreneurs and tell Microsoft: "no more."