

**IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

DRONE TECHNOLOGIES, INC.,	)	
Plaintiff	)	Civil Action No. 2:14-cv-00111
	)	
v.	)	Judge Arthur J. Schwab
	)	
PARROT S.A. and PARROT, INC.	)	
Defendants	)	FILED ELECTRONICALLY
	)	

**DECLARATION OF NED S. BARNES, CPA  
IN SUPPORT OF PLAINTIFF’S POST-TRIAL MOTIONS**

I, Ned S. Barnes, CPA, hereby declare as follows:

1. I am a Managing Director in the Washington, D.C. office of the Berkeley Research Group (“BRG”), a financial and economic consulting firm. I am a Certified Public Accountant and a Certified Fraud Examiner. I submitted an expert report in the above-captioned case (Doc. No. 187), was qualified by this Court as an expert (Doc. No. 347, at 200:12-16), and testified at trial on April 27 and 28, 2015. The opinions and calculations contained herein are my own and, if called as a witness, I could and would testify competently thereto.

2. In the verdict form (Doc. No. 371), the jury allocated \$3,783,950 in its answer to Question No. 1, and \$4,016,050 in its answer to Question No. 2. If this Court were to award prejudgment interest for each of these amounts, at what I understand to be the Pennsylvania statutory rate of six per cent, calculated from the date of the hypothetical negotiation (January 31, 2012) through June 30, 2015 and compounded quarterly, those prejudgment interest amounts would be as follows:

- \$ 853,992 for prejudgment interest on \$3,783,950
- \$ 906,374 for prejudgment interest on \$4,016,050

3. To calculate the lump-sum payment for future sales, Defendants' damages expert, Mr. Jarosz, and I both used my projected sales figures from my analysis (Doc. No. 187-8). Mr. Jarosz confirmed this in his Supplemental Damages Report: "I then applied this rate to Mr. Barnes' unit projections for July 2015 through December 2020." Doc. No. 344 at 4; *see also id.* at 5 n.15; and Mr. Jarosz reiterated this in his testimony before the jury. Doc. No. 357, at 72:16-73:8.

4. If this Court were to determine that a \$5 per unit royalty is appropriate for future sales, and decided to use the undisputed projected sales figures that I used in my analysis (Doc. No. 187-8) and testified to at trial, the lump-sum payment for future sales would be \$11,185,243.

5. If this Court were to apply my analysis for future sales, i.e., a \$16 per unit royalty for AR.Drone, AR.Drone 2.0, and Bebop drones, and \$6 per unit for the MiniDrones, the lump sum payment for future sales would be \$17,326,867, as indicated in my expert report (Doc. No. 187-8).

6. If this Court were to apply a royalty rate between \$5 per unit and \$16 per unit, then the lump sum payment for future sales falls between \$11,185,243 (at \$5 per unit) and \$17,326,867 (at \$16 and \$6 per unit, respectively).

I declare under penalty of perjury that the foregoing is true and correct.

Executed this 20<sup>th</sup> day of May, 2015, in Washington, D.C.



---

Ned S. Barnes, CPA