Judge to NY man suing Facebook: Turn over letter

CAROLYN THOMPSON - Associated Press - Associated Press

A federal judge on Wednesday again ordered the release of a letter that Facebook says can help prove that a man's lawsuit claiming half ownership of the multibillion-dollar company is a fraud.

The judge also fined the man, Paul Ceglia, and his attorney, Dean Boland, $1,000 each for not giving the letter to Facebook's lawyers when told to twice before. Magistrate Judge Leslie Foschio scolded Boland for instead submitting the letter to the judge for his private review, which he said delayed compliance with the court's orders.

"Such conduct is beyond disrespect and will not be countenanced," the judge wrote.

Boland did not immediately respond to a request for comment Wednesday.

Facebook's attorneys, in seeking release of the so-called Kasowitz letter, argued it supports the social networking company's claim that a contract on which Ceglia's 2010 lawsuit is based is forged.

The letter, from the Kasowitz, Benson, Torres & Friedman law firm, informs two other law firms that once represented Ceglia that it is withdrawing from the case based on a finding that the contract is a fake, Facebook attorney Orin Snyder argued.

Boland, Ceglia's current lawyer, had claimed the letter was privileged. The judge rejected the argument and ordered its release in April and again in June.

Snyder, the attorney for Menlo Park, Calif.-based Facebook Inc., said the judge's ruling demonstrates that Ceglia and his lawyer "continue to show brazen contempt for the court."

"It is bad enough that Ceglia is perpetuating a massive fraud on the court," said Snyder, who also was granted attorneys' fees in Wednesday's ruling. "His ongoing contempt makes it all the more reprehensible."

The lawsuit by Ceglia, of Wellsville, a 2-hour drive southeast of Buffalo, claims that he and Facebook founder Mark Zuckerberg in 2003 signed a software development contract that included a provision entitling Ceglia to half-ownership of Facebook in exchange for $1,000 in start-up money for Zuckerberg's then-fledgling idea.

Zuckerberg counters the document he signed had only to do with a street-mapping database that Ceglia had hired Zuckerberg, then a Harvard University student, to help develop.

Zuckerberg and Facebook have asked the judge to throw out Ceglia's lawsuit. That motion is pending.

Source URL (retrieved on *07/28/2014 - 9:19pm*):
http://www.ecnmag.com/news/2012/08/judge-ny-man-suing-facebook-turn-over-letter