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COMMITTEE ON OVERSIGHT AND  
GOVERNMENT REFORM,  
U.S. HOUSE OF REPRESENTATIVES,  
WASHINGTON, D.C.

INTERVIEW OF: LINDA McMAHON

Thursday, December 13, 2007

Washington, D.C.

The interview in the above matter was held at Room  
2247, Rayburn House Office Building, commencing at 9:25 a.m.

Appearances:

For COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM:

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Mr. Leviss. We're on the record. This is a transcribed interview of Ms. Linda McMahon by the Committee on Oversight and Government Reform. The chairman of the committee has sought this interview as part of the committee's investigation into allegations regarding the use or abuse of steroids and other illegal drugs in professional wrestling.

Would the witness please state her name for the record?

Ms. McMahon. Linda McMahon.

Mr. Leviss. On behalf of the Committee on Oversight and Government Reform, I thank you for joining us today. My name is David Leviss, I am counsel with the majority staff, I am joined here -- why doesn't everyone introduce themselves for the record.

Mr. Cohen. My name is Brian Cohen, I'm the senior investigator with the committee.

Mr. Buffone. Sam Buffone, I'm with the majority staff.

Ms. Despres. Sarah Despres, in-house counsel with the majority staff.

Mr. Chance. Benjamin Chance, Republican staff.

Ms. Safavian. Jennifer Safavian, Republican staff.

Mr. Koch. George Koch, K&L Gates.

Mr. O'Neil. Mike O'Neil, K&L Gates.

Mr. McDevitt. Jerry McDevitt, K&L Gates.

Mr. Leviss. And for purposes of clarity in the record, do each of you outside counsel represent the same client or clients here today or is there any separate representation?

Mr. McDevitt. No, I'm their principal outside counsel and George and Mike are assisting me, they are my partners.

Mr. Leviss. But you are here today representing Ms. McMahon?

Mr. McDevitt. And WWE.

Mr. Leviss. We will generally be asking questions in topic areas and we in the majority will begin. My colleagues may chime in periodically. The minority will have the opportunity to ask you questions as well. And we'll try to move in some organized fashion from topic to topic. Typically, we try to take a short break every hour or so, if you need to take a break earlier, just let us know, we can do that, we will try to accommodate you.

As you can see there is an official House reporter taking down everything we say, and that's because we are making a written record of this interview. As a result, it is important for you to give verbal audible answers to all the questions; do you understand?

Ms. McMahon. Yes.

Q I've asked the court reporters to interrupt us if we are talking over one another, or if they need a question or an answer to be repeated, so if we get interrupted, that's

why.

Ms. McMahon. So body slams don't translate well?

Mr. Chuang. We may have to describe those.

Mr. McDevitt. That may be more of an issue tomorrow?

Mr. Leviss. In order to have a clear record, it is important that we finish our questions before you begin an answer, and we, in turn, will try to wait until you finish an answer before starting the next question, is that clear?

Ms. McMahon. Yes.

Mr. Leviss. You are required by law to answer questions from Congress truthfully. If you fail to testify truthfully, you could be subject to criminal prosecution. Is there anything that would prevent you from testifying truthfully today?

Ms. McMahon. No.

Mr. Leviss. Do you understand all the rules I've covered?

Ms. McMahon. I think so?

Mr. Leviss. Great. Do you have any questions before we begin?

Ms. McMahon. No.

#### EXAMINATION

BY MR. LEVISS:

Q Okay, let's start with just some background of your role at WWE. First of all, what does WWE stand for?

A World Wrestling Entertainment.

Q And what is your current position with WWE?

A I'm the chief executive officer.

Q Do you have any other position in the company?

A I'm on the board.

Q Okay. How long have you held your position as chief executive officer?

A Since -- I've had various titles. I'm just trying to think of when CEO came into effect. I've been President, I've been the COO. I think the CEO role was approximately 2000, 2001 somewhere around there.

Q That was COO?

A CEO.

Q CEO. Let's run through all the positions that you've held, president, COO and CEO?

A I've been vice president -- let me digress.

Q Sure.

A Not of World Wrestling Entertainment, I have been CEO for World Wrestling Entertainment since World Wrestling Entertainment changed its name from World Wrestling Federation to World Wrestling Entertainment and we went on the New York Stock Exchange in 2000. I'm really -- when I was telling you these different positions, it was in the historical perspective back to the beginning days of our company. Is that what you would like?

Q Sure. How long have you been with WWE or its predecessor company?

A Since 1980.

Q And --

A The predecessor company was Titan sports, T-I-T-A-N Sports.

Q Did that proceed WWF?

A Yes.

Q And When did Titan Sports become WWF?

A In 1999. WWFE? World Wrestling Federation Entertainment.

Q Okay. Starting with your first position with the company or its predecessor companies, what was that?

A Vice president.

Q And how long were you vice president?

A A few years.

Q And then was your next position president?

A I think president, then president and COO.

Q Can you give me a --

A This was a building, small company, it as primarily my husband and I who were building this company. He was president, I was vice president, he's chairman, I'm CEO. So it has just been the evolution of the company as it is being built from a two-person to almost a 600-person company now.

Q That's quite a progression.

A So I don't mean to be vague about the years, it has just been there were transition times, and I can't remember them exactly.

Q I understand. It sounds like there weren't necessarily the same formalities when it was a two-person company as a 600-person --

A It was not.

Q What are your present roles and responsibilities in the company?

A My role as the CEO typically today is strategic oversight, business-to-business building relationships, managing and working closely with our chief operating officer, and our chief financial officer, and also working day-to-day with Vince McMahon, who is the chairman and pretty much the driving force behind WWE.

Q Do you have any role in marketing?

A No, except that we are a marketing company, so really that everything you are doing in the marketplace is marketing, developing business-to-business relationships, talking to Wall Street, all of those issues, I think, are marketing.

Q And how long have you had your current array of responsibilities, how long has that been --

A Pretty much since I became CEO. I did at first, as the CEO, have more operational responsibilities. I was very



pleased. About a year ago, we did name a fellow name Mike Sileck, who was our CFO, we have made him now the COO. So the day-to-day responsibilities of operation fall to Mike.

Q So at what point did you give up those operational responsibilities?

A Within the last year.

Q And for how long, going back, had you had those operational responsibilities?

A Probably all the way back, when we first incorporated, so I would say, like, 1980, '82. That was really -- you know, my strength was operations, administration, organization, et cetera. Vince is really the driving entrepreneur, the creative genius behind what happens with WWE and a very smart businessman.

Q What is Mr. McMahon's ultimate responsibility in the company?

A I believe the chairman of the company, and as such, I think he has the overall responsibility of the company. He is also clearly the chief creative head of the company and he is also recognized around the world as one of our premiere performers.

Q Is there any aspect of the company's affairs that Mr. McMahon does not involve himself in?

A What do you mean by "involve himself"?

Q Have responsibility for.

A Well, he has the overall responsibility. Does he sit on every budget meeting? No. Does he sit on the facilities management of the company? No. But the overall marketing themes, the driving or development of our paper view and story lines, he is very much involved in that.

Q Does he have final decision making authority in every area or are there areas where --

A I think ultimately, the chairman does have final decision making work, of course, with the board.

Q And who is on the board?

A The in-house board members are Vince, myself, our COO, Mike Sileck, our outside independent Board of Directors are Governor Lowell Weicker, Dave Kennon, Joseph Perkins, Michael Solomon and Bob Bowman.

Mr. Cohen. One more question. As Mr. McMahon's responsibilities, you described him as the chief creative head in the organization I assume. In that role does he have a responsibility for relations with talent, decisions that are made about talent?

Ms. McMahon. Yes.

BY MR. LEVISS:

Mr. Leviss. I have some questions for you about --  
Actually, before I switch topics, is there anything that you wanted to cover in general background?

Ms. Safavian. No, I think we're good.

BY MR. LEVISS:

Q I have some questions about WWE's original drug testing program, which I understand ran from 1991 through 1996. I understand that the company wasn't called WWE at that time, but if I refer to it as WWE --

A That's fine, we do the same thing.

Q Great. We have a copy of the drug testing program dated February 27th, 1996, you do have that right?

A 1996?

Q '95 or '96?

Mr. Cohen. It says at the top Titan Sports policy as of May 15, 1995?

Mr. McDevitt. I think you referred to it as the original, didn't you, in your question?

Mr. Cohen. Well, I should say this was the -- our understanding is that you created your policy and you originally had a drug policy that began in 1991 --

Mr. McDevitt. No.

Mr. Cohen. A drug testing policy?

Ms. McMahon. No, our original policy was 1986, that's why I thought you had just misspoke.

Mr. Cohen. You created a random testing -- maybe you should run through?

Ms. Safavian. Yeah.

Mr. Cohen. The policies as they began in 1986?

Ms. McMahon. In 1986, it was really primarily for drugs of abuse, more street drugs and primarily cocaine. And we established a random testing policy at that time for drugs of abuse.

BY MR. LEVISS:

Q And what was that policy?

A What was it?

Q The random policy, I mean, how did it work?

A We drug tested, and if you were positive for drugs of abuse, then there was a penalty. You were not allowed really to come back into the organization until you were clean of any of those drugs.

Q And what percentage of talent were randomly tested at any time?

A I don't remember. I think a fair number of them, just because we wanted to be sure.

Q And that policy was in effect until when?

A Well, I believe up until we established the new policy, which was like '91, '92 when we incorporated our new policy that has been expanded to include steroid testing, more comprehensive.

Q And what made you establish a new policy in 1991?

A The times had changed, we wanted to have a more comprehensive drug policy. We always have been concerned about the health and welfare of our performers. I think you

need to understand that you know when wrestlers get into the ring, male or female, and they are in an interactive entertainment play, if you will, however, it is very physical. And if you have one man picking up another man over his shoulder and body slamming him in mat, you want that person to be absolutely totally on point, not impaired in any way, because you can be injured or you can be hurt if you miss your queues or the timing is not right.

So it has always been from our perspective we wanted to make sure all of our men and women are of the best health, the best mental focus when they get into the ring. We want to make sure that out of the ring, that they are comporting themselves in a good manner. We are very concerned about their health and welfare, so we expanded our drug policy just as we continue to do today. As new information comes our way, as new methods of testing come our way, as we are advised by our outside administrators, that this is something we should do, we grow it, change it and move forward.

Q Now, were there any new methods or events that came to your attention in 1991 that brought about this policy?

A No, we just expanded it to include steroids and expanded it for more drugs, testing for more drugs to make it more comprehensive. We hired a third-party administrator at that particular time, and it happened to be David Black,

who is also handling our wellness policy for us now. And really David went through the protocol of what he thought was appropriate just as he's done today and we took his advice and counsel.

BY MR. COHEN:

Q The policy that you have, pull out Exhibit 1. This is -- our understanding is this was the policy that was in effect through 1996, it is dated at the top. It indicates it is the Titan Sports drug testing policy as of May 15th, 1995. At the bottom there's a note indicating it was revised July 25th, 1996.

A Okay.

[Linda McMahon Exhibit No. 1  
was marked for identification.]

BY MR. LEVISS:

Q What was your involvement in the development of this policy?

A Pretty much coordinating the group -- this one?

Q Exhibit 1.

A Yes. Pretty much coordinating the group, finding out who would be a third party administrator for us, doing research into the field, relative to Dr. Black. His name surfaced really because of our affiliation and association with NFL, people within our organization were very familiar with the NFL and their policies. And so we asked who was

designing and administering their drug policy for them at the time, and it was Dr. Black in his laboratory. So we felt that that had really good background for us, and we brought him in, we talked to him, we were impressed by his credentials and we moved forward with him to manage our policy for us.

Q Have there been any incidents of steroid use among talent prior to 1991 that had come to your attention?

A Yes.

Q Any specific incidents or --

A No. We were involved in a trial in the early '90s, and so part of that trial was steroid use. At the particular time that there was more steroid use among our talent, steroids were not the controlled substance that they are today.

Q So that was in the early '90s, I'm sort of trying to get to the events that led to your putting together this policy?

A This policy or the one we have in place today?

Q The '91 policy, which I understand is dated '95?

#### EXAMINATION

BY MR. COHEN:

Q Our --

A That's where I get confused.

Q Correct me if I'm wrong here. The steroid program

put in place in 1986 was a program primarily for drugs and abuse. The program put in place in 1991 that was that was your first program that included random testing for steroids --

A I believe that's correct.

Q -- and other performance enhancing drugs?

A Uh-huh.

Q That policy continued with some changes through 1996?

A I believe that's correct, yes.

Q So when we refer to -- I apologize for the confusion. Our reference is to the policy that was in place from '91 through '96 --

A Okay.

Q The exhibit you've been given, our understanding is that was the policy that was in place in 1996.

A I believe that to be correct. I have no reason to think it otherwise.

#### EXAMINATION

BY MS. SAFAVIAN:

Q I'm a little confused.

A Talk to him.

Q Exhibit 1 that's in front of you, can you tell us do you recall the differences with the exhibit in front of you that is revised in 1996, it says, to what you initiated in



'91 or '92?

A I don't remember. I don't remember what the change is between '91 and '92 would be.

Q Do you recall were there they significant changes or were they more minor changes?

A I just don't recall. I thought we tried to be pretty comprehensive in '91 and '92, so I really don't recall. You'd have to give me the two of them to put side by side.

Mr. Cohen. Sure, okay.

BY MR. LEVISS:

Q Going back to the creation of the first policy that included random testing for steroids and that process I understand began in '91. Had it come to your attention that any talent were using steroids prior to creating that policy?

A I think there is just the general timing of the discussion of steroids in the marketplace. I don't remember how it had come to our attention, but I'm sure there was a lot of media focus on steroids at that particular time as well. And we really wanted to find out which of our talent might be using steroids or other drugs of abuse, as I said before. Keep in mind, we are not a competitive sport, this is an entertainment company and entertainment product. Our goal with all of the drug testing and measures and practices

is to protect the health and well-being of our superstars who perform for us around the world.

Mr. McDevitt. Would you mind if I spoke to her for a second? I want to give you a complete answer.

[Witness confers with counsel.]

Ms. McMahon. I'm glad that Jerry refreshed my memory. The Saforian trial that was taking place in the early '90s, I think like 1990 really was kind of a point in time for our reference. At that particular time the -- I believe it was at that particular time as Jerry was refreshing my memory that steroids did change and become a controlled substance.

So there was certainly more focus on that during the Saforian trial, there was reference of the fact that he had distributed steroids to particular wrestlers, so we really wanted to investigate that. We adopted our policy prior to his trial, I do believe.

By Mr. Leviss.

Q Who is Mr. Saforian?

A Dr. Saforian was a doctor who had been licensed by the Pennsylvania State athletic Commission. At that time the commissioners required that a doctor that they appointed attend all of our events. And Dr. Saforian was at a lot of our events and had, in fact, distributed steroids unbeknownst to us at arenas where we were playing to some of our talent.

Q Did you or the company have any role in that trial?

A In Dr. Saforian's trial?

Q Uh-huh.

A Our company didn't. I'm trying to think if there were witnesses -- do you recall if there were any witnesses?

Mr. McDevitt. Yes. Do you want me to give you the answer?

The Witness. I think Hulk Hogan was a witness in that trial.

Mr. McDevitt. No, he was supposed to be a witness in that trial.

Do you want the answer?

Mr. Leviss. Sure.

Mr. McDevitt. It was a 15-count indictment against George Saforian under the prior laws governing steroids which were not controlled substances. He was charged with prescribing for other than medical purposes, 15-count indictment, can involve a form of body building and strength coach, University of Virginia. Five counts involved wrestlers, Roddy Piper, Rick Martel, Dan Spivey, I forget the 14th count. And one count was supposed to involve Hulk Hogan, who I obtained an order from the judge excusing him from the trial before the trial began.

Mr. Leviss. Hulk Hogan was an employee or an --

Ms. McMahon. A contractor.

Mr. Leviss. Affiliated with WWE?

Mr. McDevitt. On all counts.

BY MR. LEVISS:

Q Thank you. In developing this 1991 drug testing policy, did you consult with any outside experts?

A Dr. Black.

Q Anybody besides Dr. Black?

A Not to my recollection.

Q Okay. Who administered the program once it was in place?

A Dr. Black.

Q And did he do that on contract with WWE?

A I believe yes.

Q What was Dr. Black's role as the administrator of the testing program?

A The samples that were collected went to his laboratory, Aegis Labs and he tested the samples and he gave back the report to us.

Q Who administered the test?

A Who collected --

Q Who collected the samples?

A I get confused on two particular times. I'm not sure if he had contracted with the different company to come and collect it. We didn't, we've never been involved in collecting samples, it has always been under his direction

either hiring someone or someone in his group who went on site, collected them, had control, the custody, chain of custody and all that, just as he does today. We don't touch or have any involvement in any of that.

Q Who determined which of the talent to test?

A Today?

Q No. Right now we're talking about the 1991 program.

A Okay.

Q As it was amended through 1996?

A To my recollection, it was always Dr. Black, it always done on a random basis. We might have provided -- I'm trying to recall. I think that we provided a random list of talent just by code, no one had the names of who was next to the code. And it was just put through a computer program and the computer program spit out X number of random numbers on a rotating basis of time. Dr. Black got those numbers. He had the code, we didn't have the code in our company and we just did the computer program that spit out the numbers. And then he would hire the collection company who would collect the samples, observed a urine test and they would come back to his lab.

Q So Dr. Black based on that list would instruct the other company which talent to collect samples from?

A Correct.

Q And again, just so the record is clear, when we're

talking of talent, that's the wrestlers?

A Wrestlers or referees might have been included, it was those -- that community of performers who were part of what we were doing at the time.

Q They are all referred to as talent?

A Talent primarily means wrestlers.

Q Was the 1991 program we're discussing, did you consider it to be successful?

A Yes.

BY MR. COHEN:

Q Dr. Black's administrative role in this policy from 1991 to 1996, did his administrative responsibilities extend beyond collecting samples, conducting tests and reporting results to WWE? Did he have any responsibility for determining sanctions or penalties for athletes?

A As they were written in the policy the sanctions were already determined. I believe the feedback was given to us at that particular time and we administered the sanctions under the policy which is different than today.

Mr. McDevitt. Can I consult with her again to make sure?

[Witness confers with counsel.]

Ms. McMahon. That's right. And we did have a different drug program advisor, Mario DePasquale, at that particular time, who worked with Dr. Black and talked with

the talent.

BY MR. COHEN:

Q Can you elaborate on that on Dr. DePasquale's role?

A Well, you couldn't call him the medical review officer like we have today, but he was really the expert that we utilized at that particular time if there were findings of steroids, et cetera, how long the metabolites would stay in your system, et cetera, et cetera. I didn't really have a lot of conversation with him.

Mr. Cohen. Okay.

EXAMINATION

BY MS. DESPRES:

Q Could you tell us what his background was?

A First of all, he was a physician in Canada, I believe he lived -- I think he lived in Canada, he had written several books on strengthening, he had also written books on steroids.

Q Thank you.

A We considered him to be an expert on steroids and we wanted to get his fundamental knowledge.

BY MR. LEVISS:

Q Had he previously been affiliated with the company?

A Not that I recall.

Q So he was brought in in this role as drug program advisor; is that correct?

A Yes.

Q And is he still with the company?

A No.

Q How long did he serve?

A A few years, I don't remember.

Q Were any talent suspended or otherwise sanctioned as a result of testing positive under the 1991 program?

A Were there any?

Q Uh-huh.

A I'm sure there were. I don't remember.

Q Do you have any sense of the numbers?

A No, I don't think it was an inordinate amount of talent that were suspended during that particular time. If they were found positive and under the guidelines of our policy it was administered and they would have been suspended.

Q Were many people found positive? If you can quantify it at all.

A I just don't remember over that 5-year period from '91 to '95. What was happening at that particular time was we were find decreasing numbers of our talent testing positive for anything because our policy had been very effective. We put it in place in '91, everybody knew the rules had changed, they knew there were penalties for using steroids or other drugs, it was very effective. And the



number of positives kept declining, declining until there were almost none, which is one of the reasons that we decided not to continue in '96.

Q How did you get the word out to the talent that this policy would have these repercussions?

A They were given a copy of the policy and they had to sign a release this they would be drug tested and it was explained to them the ramifications of the test.

BY MR. COHEN:

Q Do you have any specific memories, I know you said you don't remember a lot of details about who tested positive. Were any of your champions at the time, did they ever test positive, any of your top talent or your top stars, did they ever test positive?

A I don't remember.

BY MR. LEVISS:

Q Did the company keep any kind of records of suspensions?

A No, not now, we don't have any of those records. There was a short period of time that we had the records of those suspensions, but they were primarily, again, they were encoded. At that particular time, I believe that the primary information and the decoded information really came to Vince.

Q And how did that work?

A How did -- what do you mean how did it work?

Q How did the information come to Vince?

A I think from Dr. Black.

Q What was the process?

A I don't know if it was via fax or phone. I don't know exactly how he obtained it.

Q And then did Vince have ultimate authority to decide what to do with positive test results?

A Yes, he was the end decision maker on that.

Q Was anybody else involved in that discussion on a routine basis?

A I'm not sure. That's not something that I dealt with at that particular time. There has always been someone in talent administrations or talent relation that he would have conferred with and worked with.

BY MR. COHEN:

Q Are suspensions made public?

A No.

BY MR. LEVISS:

Q Did WWE's television ratings decline between 1991 and 1996?

A Yes.

Q Can you quantify it at all?

A From where to where?

Q Was it a significant decline?

A Yes, there was a decline because we were faced with very hard competition at that particular time by Ted Turner's group at that particular time called WCW in Georgia, and Ted poured a great deal of money into his company. He was the first one to pay guaranteed salaries to the independent contractors, paid them pretty exorbitantly.

Subsequently, he went out of business by the way. But at that particular time he went head to head with us on Monday night for a program that we had on the air for a long time. He had stolen a lot of our talent, or persuaded them, persuaded them to come over to his side of the fence -- the intellectual property of those talents that he stole, and so he was able to capitalize on the fact that we were going through a Federal trial, we had put into place a pretty significant drug policy which he refused to put into place so he had a lot of opportunity with some of our top stars, Hulk Hogan being one of them who went with him at that time. So he had he taken the talent that we had built up, those intellectual properties, those characters that we developed, capitalized on the effort that we put into developing them.

And we were kind of left, it's like the championship team graduates now you have to build that next group. So because we know how to do that, we spent then the next few years building that next group of talent like the Heartbreak Kid, Stonecold Steve Austin, The Rock. It takes awhile to

do that and then our ratings then climbed again.

Q What period of time are you talking about where you are rebuilding --

A Primarily '95, '96 through '99.

Q So what was the decline in WWE's television audience?

A I don't remember the exact ratings, we could go back. I would be happy to provide it for you, I don't remember. But we would go from -- I really don't remember. I would have to take a total guess.

BY MR. COHEN:

Q You had mentioned that you lost a lot of talent to WCW, and you mentioned that WCW did not have a drug policy in place. Do you think that that was a factor in loss of talent, it was talent that was inclined to use steroids, were they fleeing to WCW because there was not a drug policy in place at that organization?

A Well, "fleeing" I think may be your descriptive term, not mine.

Q Fair enough.

A I think primarily it was the money, more than anything else it was the money. They were offering huge, big guarantees, which clearly were not cost effective for us.

Q Do you think their lack of drug policy had anything

to do with talent moving to WCW?

A I think it could have, yes.

BY MR. BUFFONE:

Q Were you ever informed by any talent that they were moving because of lack of drug policy?

A Because of what?

Q Lack of drug policy. Did anyone ever inform you or did you ever hear of anyone being informed that a talent was moving because you had drug testing and they did not?

A I don't recall.

Mr. Leviss. I'm going to switch to a different topic, if there is anything --

Ms. Safavian. I have a few questions on the initial drug policy.

BY MS. SAFAVIAN:

Q Exhibit 1 that you have, I have some questions about number 4, the types of testing, which is on page 3, you have in here precontract testing, when you say talent may be tested before contracts are entered into. Did you do that often or what was the criteria as to when you would test someone before placing them under contract?

A You know, I just did not, that's not part of the function that I performed and so I'm fuzzy about those details because I really wasn't involved in it. But to the extent -- because it does mention in here that the DPA will

speak to new talent to explain the drug testing policy and to emphasize the immediate cessation of compounds banned by this policy. I don't know if it was across every new talent coming in, I'm not clear on that.

Q Who would have handled that at this time?

A It would have come through our talent relations department, who would have been in contact with DPA and Vince was always -- he was pretty much involved in that as well.

Q Who would have made the decision as to whether or not a pre talent would have been tested?

A I'm not sure.

Q Okay. And I also wanted to ask about on page 6 where we're talking about offenses, and you say here for the first offense the talent will be suspended without pay for 6 weeks?

Mr. McDevitt. Page 6 of the document?

Ms. McMahon. Oh, I thought it was number 6?

Mr. McDevitt. Would you repeat the question?

BY MS. SAFAVIAN:

Q Sure, sure, sure. On page 6, on the first offense, you mention here it states the talent will be suspended without pay for 6 weeks?

A Yes.

Q Does that -- when you say "suspended," they were not

performing at all for those 6 weeks?

A As far as I recall, that was the case.

Q And under second offense, this mentions that there's drug rehabilitation programs, are there such programs? Is that something that the organization would encourage their talent to undergo by helping to pay for the cost of that?

A Absolutely. We would front the cost for new talent going into rehab. I think we've sent about 25 talent over the course of time into rehab. We'd front the cost and then recoup half upon successful completion of the rehab.

Q Must they successfully complete it in order to return?

A Yes.

Q How do you know whether they have successfully completed such a program?

A The evaluation by the facility.

Ms. Safavian. Thank you.

[Linda McMahon Exhibit No. 2  
was marked for identification.]

BY MR. LEVISS:

Q I'm going to show you another document that we'll mark as Exhibit 2. Take a look at it and tell me when you've had a chance to review it.

A Okay.

Q Exhibit 2 is a memorandum from Vince McMahon to all

talent agents, referees and ring crew, dated October 25th, 1996. It announces, or it states in the memo that effective immediately suspending drug testing and collection on a -- WWE is suspending drug testing and collection on a group basis. The memo appears to indicate that the random drug testing program that had been in place from '91 through 1996 is being eliminated; is my understanding correct?

A Yes.

Q Why did WWE or WWF at that time stop the program?

A I think Vince had pretty much stated it in his first paragraph of this. It says, low incidents of positive results at that particular time and it was just -- the program was very effective. We were pleased with the results. It was just no longer cost effective to random test across the large pool of talent that we had.

Q So not cost effective, any other reasons?

A It was not cost effective, and again, there was a competitor not doing it, it was just not a level playing field as we were very competitive in the marketplace, it just wasn't cost effective for us to continue to do it.

Q And that other competitor was WCW?

A Right.

Q Were you involved in the discussions leading up to the decision to eliminate the random drug testing policy?

A Yes, from an economic standpoint I do recall that.



Q Was there anybody else involved in the discussions?

A I don't remember today.

BY MR. COHEN:

Q Was Mr. McMahon involved?

A Oh, he would have been, very definitely.

BY MR. LEVISS:

Q Did you work at all, meaning you personally or the company, did you work with any outside experts in determining whether to stop the policy?

A I don't recall.

Q Was Dr. Black consulted?

A I just don't recall, I really don't recall.

Q Do you recall whether there was any disagreement within the company about whether to stop the random drug testing policy?

A I don't recall any disagreement.

BY MR. COHEN:

Q How much was the testing program costing?

A At that time?

Q Uh-huh.

A Probably -- I --

Mr. McDevitt. Don't guess.

Ms. McMahon. I don't -- I don't know.

Mr. Cohen. Perhaps you can get back to us on that.

Ms. McMahon. Okay.

BY MR. COHEN:

Q You had discussed, and the memo discusses a small incidence of positives, can you give us a ball park in the year preceding the end of the program, approximately how many wrestlers tested positive or were suspended?

A I don't know if there were any, I don't recall at all.

BY MR. LEVISS:

Q Can you explain to me what you mean when you say that WWE couldn't be competitive with WCW if they weren't testing?

Mr. McDevitt. She didn't say that.

Mr. Cohen. You described it as not a level playing field, can you describe what you mean by that?

Mr. McDevitt. His phraseology was a misstatement of what she said.

BY MR. LEVISS:

Q I believe you used the word "competitive"?

A It was not a level playing field at a time when, if you understand the timing of all this, we were very heavily involved in the Federal trial, of which we were acquitted of all charges, but that was in July of 1994. We then spent the next 2 to 3 years trying to rebuild and coming out of lost opportunity costs when you're really devoting a great deal of time to this trial which is really going to effect

the future of you and your business, so there was a great deal of competition going on at that particular time when a great deal of our funds, resources, manpower.

At that time I would bet 80 to 85 percent of my day leading up to the trial was in trial preparation so it was a lot of lost opportunity for business building. At that particular time, WCW and Ted Turner, with whom at one time by the way, we were in business and then we were no longer in business with him when our contract expired.

Ted was building and building and becoming very much stronger on Monday night. He had a lot more resources behind him, a lot more money than we did, because we were a private company and we were struggling very hard to rebuild our talent and to really rebuild our business coming out of that. So as we were looking at all aspects of our company noting that our policy had been very effective. Our talent understanding the trial and tribulation that we had gone through relative to this trial and didn't have any desire to be back in that kind of a situation.

The fact that there was an organization competing against us who could pay a lot more money and was refusing to drug test, that was one component of it. The other component of it, it just wasn't cost effective. As we looked at, we're continuing to test, but we don't have many positives, it's effective. We're going to maintain random

testing if we have cause to look at any particular talent and want to make sure that they are okay, we will test for cause, but other than that we are going to eliminate this overall program.

Q Did it take a lot of time out of your day to administer, to work with this drug testing program when it was in place?

A Not out of my day, no.

Q I guess I'm missing the component besides it not being cost effective, what is it about having a random drug testing program in place that was any hindrance, and "hindrance" is my word, to WWE, in rebuilding its business or its talent base?

A I think the cost effective aspect is what is the return? If we had really gotten the positives down to negligible and yet you're spending across because you would random test a whole group, you have to pay for the testers to go on site, you have to pay for the samples, the quality control of all these samples, the drug program advisor who is calling and talking, the laboratory who is conducting all of these tests.

So at the end of the day, you are doing this and expending these resources and you are coming back almost all the time to negatives. It really became at that time, okay, let's utilize these dollars more in our marketing effort,

let's build our Pay-Per-View business, let's redirect these dollars so that the cost effective aspect of it just didn't seem to be there.

Mr. McDevitt. Can I, just for a minute?

[Witness confers with counsel.]

Ms. McMahon. I wasn't very articulate with that. When I was talking about rebuilding after the trial, for the first time in the history of our private company, we sustained losses and there were only 1 or 2 years that we'd ever sustained a loss in the company. So we were operating from negative perspective trying to rebuild. So how do we spend our dollars as judiciously and as cost effectively as we could to rebuild our business?

BY MR. LEVISS:

Q Apart from the cost benefit analysis of saying we could make better use of these funds or we could make other use of these funds, did you view the random drug testing program as a limit on your ability to rebuild your business?

A It just wasn't cost effective to do it.

Q So it's purely financial?

A It was financial, primarily financial and it had been successful, so we were pleased with the effect that it had had over the years, and it just didn't seem to be something we needed to continue on the regular basis that we were doing it. By reserving the right to random test, we

felt that we were doing what we needed to do.

Q Was it your view in 1996 that WCW had a business advantage in not having a drug testing policy in place?

A Yes.

Q That was your view?

A Yes, that would be part of why they had a business advantage.

Q And what is that advantage?

A What is the advantage of not having a policy in place?

Q Sure.

A Well, if -- it's not just one aspect. They also had much more money to attract our talent, but if our talent knew that they were with us and they were tested and they were going to be positive, and they could go someplace else and not be tested, that was attractive on one measure for them.

Q Okay. Anything else?

A I don't think so.

BY MS. SAFAVIAN:

Q On this Exhibit 2, the ability to reserve the right to do random testing, did you still use Dr. Black?

A Yes, I believe so, at the collection agency, we would have attracted and sent the test to Dr. Black, that's my recollection.

Q He was still on retainer contract?

A I don't know if he was on a retainer at that point, or if it would have been on an as-use basis.

Q Case by case?

A I don't recall the frequency of that at all.

Ms. Safavian. Thank you.

BY MR. LEVISS:

Q There is currently a drug testing policy in place; is that correct?

A Yes.

Q When did that go into effect?

A The current policy went into effect in February '06.

Q Was there any other drug policy in place between 1996 and the current one that went into effect in February of '06?

A Just from this memo that we always had the right to go in and random test any of our talent.

Q Were any drug tests conducted on WWE talent between 1996 and the implementation of the current policy?

A Yes.

Q How many?

A I don't know.

Q Can you estimate?

A No.

Q Were they every year?

A I really have no idea, because I really wasn't involved with the drug testing for cause. I would sometimes know after the fact that we had tested someone. I don't know how often any of that was put into place.

Q But you know with certainty that there were drug tests conducted during that time?

A Yes, because we also had sent some people to rehab during that time so --

BY MR. COHEN:

Q Who was responsible for the testing, was that Mr. McMahon who was responsible at that point?

A It would have been him and who he delegated. We have good talent relation. At that time, I think it was the talent administration department.

BY MR. LEVISS:

Q Were any talent suspended as a result of positive drug tests during that interim period between 1996 and the new policy in February of '06?

A I don't recall.

Q You don't recall whether anyone was suspended?

A Right.

Q In the time period between 1996 when the first policy ended and the beginning of 2006 when the current policy went into effect, did you ever receive any firsthand information that any individuals associated with WWE were



using steroids?

Mr. McDevitt. What did you say, firsthand information, meaning what? What does firsthand information mean?

BY MR. LEVISS:

Q Do you understand what firsthand information means?

A What are you asking me?

Q I'm asking whether you learned firsthand that anybody associated with WWE was using steroids?

A I don't recall receiving any e-mails or telephone calls or memos or anything to that effect or conversations that X, Y, Z person was using steroids.

Q What about any other illegal drugs?

A No.

Q And that's from, again, from the end of the old policy in 1996 until the commencement of the new policy in 2006?

A But you're asking me today. I mean, we did have one talent, Eddie Guerrero that I believe we sent to rehab and Eddie came back from rehab and subsequently we fired Eddie, because he just couldn't stay where he was. And subsequently he came back and he was born again, he had reunited with his wife and he was on a whole different plan. So I'm aware that Eddie had a drug issue. I'm not sure that on the second time around that we tested him or just from observation and we talked to him and asked him to go to

rehab. When he was evaluated at the rehab facility, they said, yes, he definitely had issues.

Q Do you know what drug issues Mr. Guerrero was in rehab for?

A I --

Mr. McDevitt. Up until now we haven't been linking people's names to drugs in this investigation. And I'm a little leery about the scope of this, because I think it is an invasion of people's policy and possible HIPAA violation.

Mr. Leviss. It is not a HIPAA violation.

Mr. McDevitt. Well, that is your conclusion, you are not the one who gets sued for it. I don't have any liability waivers or anything like that that would prohibit them from doing that. But are you telling me you intend to do that here, that has not been the rule of this investigation so far of linking names to drug testing.

Now, with Eddie which she's told you about is a matter of public knowledge, so I have allowed it to proceed it to this point, but are you going into that direction here?

Mr. Leviss. That's not our intent.

BY MR. LEVISS:

Q Without using specific names, are there individuals associated with WWE or who were associated at the time who -- let me try that again.

For the time period we're discussing, which is 1996

through 2006 when the current policy began, did you learn at any point that any individuals associated with WWE were using either steroids or illegal drugs?

A I don't recall that I did.

Q Okay.

Mr. McDevitt. Again, I want to be clear, we have produced records to you of people who have been sent to rehab during this time frame, so you know the answer to some degree the company learned about that so this is a memory test, it is and somewhat an unfair one.

Mr. Leviss. It is not a memory test.

Mr. McDevitt. Yeah, it is. You are not asking anything about current, you are asking about stuff that happened 11 years ago or whatever, but we have given you the documentation to show you the people sent to rehab in that time period. So obviously, some stuff came to the company's attention and they acted upon it.

Mr. Leviss. We are trying to understand --

Mr. McDevitt. If you want to ask her, put the documents in front of her and ask her what she knows, if you want to do it fair.

Mr. Leviss. Are you done?

Mr. McDevitt. Yes, I am.

Mr. Leviss. Because you said you wanted to be done in an efficient manner --

Mr. McDevitt. I want to be fair, too.

Mr. Leviss. Of course. This is not a memory --

Mr. McDevitt. You have the documents, you know the answer. If you want to ask her a question fairly, put it in front of her and ask her what she knows about it fairly.

Mr. Leviss. Are you done?

Mr. McDevitt. I might be. And if I'm not, then I'll keep talking.

Mr. Leviss. I would like to proceed with the questions.

Mr. McDevitt. Well, proceed fairly, please.

Mr. Leviss. Okay.

BY MR. LEVISS:

Q Did you ever express concerns about specific wrestlers, without identifying the wrestlers, who you had learned or had reason to believe were using steroids or illegal drugs?

A Let me explain a little bit. I just want you to have an understanding of the role. I am not on the road, I'm not at the events. I'm very rarely interacting with the talent. So any information, you know, that I would have relevant to a talent would really be coming after the fact. There would be a suspension. It wasn't necessarily something that I was involved with on a daily basis, so I don't have a particular recollection of this at this

particular time. What I do remember, I'm happy to tell you, but that was just not my role. I didn't observe talent, I wasn't there very often, sometimes I was at the events but not very often. My job really was more at corporate headquarters.

Q And part of this process is understanding your role and other people's roles within the company.

A Okay.

Q Who was involved in the discussions about possible suspensions? You've already mentioned Mr. McMahon?

A He would be and whoever he reached out to in terms of his fear of advisors. Again, we had a talent administration department and those fellows were the ones who worked with him closely in evaluating talent, bringing talent on, watching their skills in the ring, were they good performers, were they not so the talent administration and relations department is really that group of people as it exists today who evaluate talent coming in, are they good performers or not, do they have the skills to be in the ring, go to our development camp, take a look at them, so I would assume that he would have talked with those individuals.

Q Looking specifically at the question of whether or not to suspend talent for drug abuse or steroid use, was talent administration involved in that discussion as well,

in those discussions?

A You'd have to ask Vince.

Q Were you involved in any discussions between 1996 and 2006 about whether to implement a new drug testing policy, either to reimplement the old policy or to bring in a new policy?

A Between '96 and 2006?

Q Uh-huh.

A Yes, but more towards the end of that time frame, more closer to 2006. So really probably in -- well, closer to the time we actually implemented it.

Q You were involved in those discussions you're saying?

A Yes.

Q Do you know whether the company entertains discussions earlier in the time period that you weren't involved in? Your discusses about whether to bring back a drug testing policy or to implement a new one?

A I don't recall.

Q I was going to move onto the current wellness policy.

#### EXAMINATION

BY MR. CHANCE:

Q Back when this was sent out, Exhibit 2, were there any other measures in place as well, or were there other

things eliminated to try to help cut costs?

[Witness confers with counsel.]

Ms. McMahon. The cost cutting at that particular time it involved not being able to match offers that some of our top talent were having from the Turner organization. There came a time when one of our top stars was offered a huge guarantee and we had to let him go because we could not match that particular kind of offering.

BY MR. CHANCE:

Q In operating costs as well, this wasn't the only thing that --

A No, I believe that during that point, we had layoffs of employees. We did take economic measures to bring our bottom line better, prudent business discussions.

[Linda McMahon Exhibit No. 3  
was marked for identification.]

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Mr. Leviss. Tell me when you have had a chance to look at it.

Ms. McMahon. Getting there.

Mr. Leviss. Fine. Take your time.

Ms. McMahon. Okay.

BY MR. LEVISS:

Q Is Exhibit 3 the drug testing policy as it was when it went into effect in February of 2006?

A I believe so.

Q Is this referred to as the WWE Wellness Policy?

A Yes.

Q What was your role in the development of the WWE Wellness Policy?

A The general discussion internally of the scope that we would like to have in terms of the Wellness Policy; the discussions again about reaching out to a third-party expert, which we then decided again on David Black from Aegis Laboratories; discussions internally relative to costs, et cetera of the program, who would be developing it.

So I was responsible for looking over -- I wouldn't say "responsible"; I was involved in reviewing the drafts, helping to make sure that the drafts of the policy -- helping to make sure that it was indeed accomplishing what



we wanted to accomplish as best I knew from my experience.

Q Who else was involved in developing the Wellness Policy?

A Counsel, our talent administration department, talent relations department. Vince wasn't involved so much on the day-to-day development. But it was pretty much handled internally by operations, myself, our internal legal group; external, our counsel outside.

Q If you could, provide the names of the people who were involved in it.

A Ed Kaufman is our General Counsel; Mr. McDevitt's firm, Kirkpatrick & Lockhart.

Operations would have been -- gosh, at that time, I am trying to think who Talent Administration at that particular point was. I am not sure if John Laurinaitas, who is the current head, was there at that particular time; or if it was -- I think it was Jim Ross. Yes, it was. It was Jim Ross who at that particular time was the head of our -- I think he was Senior Vice President of Talent Administration, Jim Ross.

Q Is there a difference between Operations and Talent Administration?

A Yes. Operations, I really was talking about the role that our CO performs now.

Q So who from Operations was involved in the

discussions about developing the new policy?

A I am not sure. We didn't have a CO at the time, so I think primarily that was me.

Q And what, if any, was Mr. McMahon's role?

A General overview.

Pretty much after we had constructed the policy, we reviewed it, gone over the nuts and bolts, et cetera; general review with him as to how it would want to operate you know with the talent.

He absolutely wanted it to be handled third party. I didn't want to be involved in the administration of any of the penalties under the policy. I felt that it should be totally arm's length.

Q What brought about the decision to develop a new Wellness Policy? What led to it?

A A particular point was the -- since we have already discussed Eddie Guerrero, it was the death of Eddie Guerrero, which was in '05. And Eddie had died. We knew of his past alcohol and drug abuse just by the fact that we had him in rehab, what his history was. And we felt that we wanted to make sure that we were helping the men and women who were part of WWE, a lot of them young men and women, to stay as healthy as they could. If they were -- you know if they had any addictions to prescription drugs, any of those kinds of things, we wanted to make sure that they were as

healthy as they could be.

Part of it also was looking at the fact that we had had two or three of our performers, Ed being one of them, who died from a heart attack. On Eddie's autopsy he had two of the arteries, one was about 90 percent closed, the other one was 65 percent closed. So we wanted to make sure that cardiology was a part of this wellness program.

So as we talked about all the aspects and elements of things that we learned over the years, what could we put into place that would be very effective, it was drug testing, it was cardio testing. And as we have learned more we continue to evolve this policy. We wanted to help them be healthy.

Q As part of this process of developing a new testing policy, did you consider the old -- the 1996 policy or the policy that was in place in 1996?

A I think we used it as a reference point of a lot of the things that we tested for then, a lot of the drugs that were tested for. I can't even tell you what half of the drugs that are listed on here are, but Dr. Black certainly can.

Q Were there any medical consultants that you worked with in developing the policy, the current policy?

A Primarily the cardiologist that we used. And I met with them myself in New York. It is Dr. Feurbach and his

practice; met with them, talked with them, explained to them what we were trying to do, and let him advise us of the best way, which is to establish baseline testing with his echocardiogram drug tests, the blood tests that he would do and the reports that he would give back that would be very helpful in giving baseline determinations. And we would repeat those tests on an annual basis to see if there were any changes.

As a matter of fact, one of our talents -- [REDACTED] [REDACTED] I can't for the life of me think of his real name, but we actually discovered a congenital heart defect that he had which he did not know about, which could have been fatal at some point had it not been addressed.

We discovered it just through our random testing -- not our random testing, through our cardiology program. He then went to his own cardiologist for verification and then came back to our New York group and had the procedure done, which we paid for.

And so we are very happy to have that policy in place, because I think it is proving already to be beneficial.

Q What did you express --

A And that was different than the '96 policy. That was in addition to what we were doing.

Q The cardio component?

A Right.

Q What were the goals or what did you express were the goals of this new program?

A To maintain the health and well-being of our talent, to help them.

Q And how would that be done?

A Are you talking about to whom did I express it, the cardiologist when I was meeting with them, or just in general?

Q I am asking in general when you are having ~~discussions~~ discussions with people, either the cardiologist or anybody else involved in developing the new testing policy, what were your goals? What were you trying to accomplish with it?

A The goals were, A, to let them know if they had any problems that they were not aware of, for instance, any heart problems. We did put in a drug testing policy to see if they were abusing prescription drugs, to see if they had drugs of abuse, to see if steroids or other drugs that are illegal are part of anything that they are using.

You know, you have a group of -- and we found this. We found we had a group of men and women who are on the road and they would get a pain killer. Well, they would take more than the recommended dose; or they would get a pain killer from a doctor in one town, and then they would go to another town and go to another doctor and get more, and they

would self-prescribe what they thought would be the right number.

And we did find that there was a creeping number of more of that abuse of prescription drugs than there was anything else.

So really -- that was really our primary concern when we started testing was just looking at the abuse of prescription drugs. So part of what we discussed with Dr. Black was that as we looked at levels, not only would he detect a prescription drug, but he would look at the levels in the bloodstream and then talk to the treating physician for that particular individual to say, this is what we found, does this comport with what you are doing or why did you give this particular drug, to make sure that they were not abusing drugs and putting themselves in harm's way.

Q Dr. Black would have that conversation?

A At first he did, and then we realized that we really needed a medical doctor. Dr. Black is one of the most recognized forensic toxicologists in the country. We have his curriculum vitae for you if you don't already have that.

But we really felt that in talking to a medical doctor it would be prudent for us to have more of a medical review officer that would speak to the treating physician of these particular individuals for us, make his recommendation and then back to Dr. Black. So as our policy has evolved, we

added Dr. Ray, Tracy Ray.

Q And what is Dr. Ray's specialty?

A It is sports medicine. I think we have his CV, too, if you don't have that.

Q I think we do.

A Very well recognized. A recommendation came for him from Dr. James Andrews, who is one of the most recognized orthopedic surgeons I think in the world. Sports figures go to him, his practice in Alabama, literally from all over the world for treatment. And Dr. Andrews has operated on several of our talents, including Vince when Vince had the unlikely and unfortunate experience of tearing both of his quads off the bone at the same time and was in a wheelchair for 6 weeks without any weight-bearing function at all.

At any rate, Dr. Andrews -- he was very pleasant during that time. Dr. Andrews performed that surgery. So it was through his recommendation. I talked to him and said, we really need someone in the sports medicine field familiar with athletes of what they do, and performers and entertainers; and he recommended Dr. Ray out of his clinic there. And Dr. Ray, I think, has been a very good addition to our program.

Q And approximately when was Dr. Ray brought into the program or involved?

A I am sure we have got a contract with him that would

say that -- within the last couple of years.

Q Was it around the time that Mr. McMahon injured himself?

A No. Subsequent to that.

Q And was that at the suggestion of Dr. Black?

A Not that I recall. I think that that was our suggestion. We really felt that we needed an expansion of -- you know, when our talent would get a call from Dr. Black or Dr. Black would talk to their doctor, they said, well, is he really a medical doctor, because we really want a medical doctor talking to a medical doctor. So that made sense to us.

And also the responsibilities, I think, for Dr. Black were continuing to increase. And I think this was the right step for us to take, to have a medical review officer who would make his recommendations back to Dr. Black.

Q A moment ago you mentioned that the cardiological exam was something new for this policy. Are there other major differences that you can recall between the policy that was in effect in '96 and the current Wellness Policy?

A That is the biggest piece, the biggest piece that was different, that we did -- you know, put into place. I think we have reestablished precontract testing. That is not necessarily part of this policy, but that is something we have been doing over the last 6 months, which does



involve the drug test, the cardiology test, a physical, you know, all of those things prior to bringing a new talent on board.

I think the -- but the cardiac feature was a big addition.

And now we also -- Dr. Ray will reach out to endocrinologists if he feels that he needs more expertise on different issues that he might be looking at. We have utilized -- around the death of Chris Benoit, we brought in a sports psychologist and grief counseling; that was on the road with our group for, I think, 2 or 3 weeks.

So there have been lots of aspects to the Wellness Policy that we have utilized. And we will continue to change as we learn more.

Q When did Dr. Ray begin reaching out to, is it one particular endocrinologist or several?

A I don't know. I think we have utilized the services at this point of one endocrinologist. I can't think of his name. I would have to get that to you.

Q But that is under the Wellness Policy?

A Yes.

Q And what is the purpose of those consults?

A Those consults were -- if we had any issues relative to hormones, we would have an endocrinologist look at those tests to determine the validity of any medical use for

hormone replacement.

BY MR. BUFFONE:

Q I want to back up for 1 second. Who is Stephanie Levesque?

A Stephanie McMahon Levesque. She is my daughter, Vince's daughter. And Stephanie is the Executive Vice President of the Creative Writing Team. And reporting to her are all the creative writers as well as Talent Relations now and also Live Events, so her role has expanded quite a bit over the past year.

Q So now she is head of Talent Relations?

A Yes. That has only been in the last 6 months, I think.

Q And then at the time of the creation, you mentioned at the time of creation it was Jim Ross, I believe?

A Jim Ross.

Q Was head of Talent Relations?

A Yes.

Q And in 2006 what was her position, was she still in this creative writing position?

A 2006, let me see. Stephanie is 31 years old. 2006, she might have just been getting out of college.

Mr. Leviss. We won't tell her you gave up her age.

Mr. McDevitt. 2006, just getting out of college, that is last year.

Ms. McMahon. Oh, I am sorry. I am thinking 1996 -- a blond moment; we can call it a senior moment.

No, I am sorry -- 2006, that was just last year. She was the Vice President of Creative Writing, but she did not have Talent Relations or Live Events reporting to her.

BY MR. BUFFONE:

Q So what was her relation to Jim Ross at that time then?

A Jim Ross is now strictly an on-air announcer for us. He is no longer the head of Talent Relations. We had brought in a gentleman named John Laurinaitas, who came in and replaced Jim Ross as the head of Talent Relations. And John Laurinaitas now reports to Stephanie.

Q But in 2006 she had no relation to, no direct corporate relation to --

A No reporting structure, to whom?

Q Jim Ross.

A No. Except that Jim Ross is an on-air announcer, so as he is involved. I think that Jim Ross in his role as on-air announcer reports to our executive producer.

Mr. Cohen. Was Ms. Levesque involved in the creation of the current policy, the current Wellness Policy?

Ms. McMahon. I don't remember her direct involvement in those discussions. She was aware of it all along the way. But really her focus at that time was on the Creative

Writing Team, which she was building.

Mr. Leviss. I am just going to take a break here. If you have any -- this is probably a good time to take a short break.

[Recess.]

BY MR. LEVISS:

Q Before the break we were talking about the current Wellness Policy that went into effect in February of 2006 and comparing it to this policy that was in effect in 1996.

I understand that there have been some amendments or changes to the Wellness Policy since February of 2006, and we will go through those in a little bit, but I want to ask you some questions about Exhibit 3, which is the policy, the Wellness Policy, as it was instituted in February of 2006 in comparison to Exhibit 2, which is drug testing policy that was in effect, it looks like, as of July 26, 1996, from the revision on the bottom of the first page.

Do you have those two exhibits?

A Yes.

Mr. McDevitt. Not 2; 1 and 3.

Mr. Leviss. I am sorry, 1 and 3.

BY MR. LEVISS:

Q All right. On Exhibit 1, on page 2, the policy states, number 8, prescription drugs taken without a proper prescription given for a legitimate medical purpose by the

personal physician of the person tested. And under that it says, For purposes of Titan's drug testing policy testosterone, dihydrotestosterone -- and I apologize to the reporter -- anabolic steroids, HCG, GH and amphetamines are strictly prohibited with or without a prescription, and no prescription for such drugs will be regarded as having a legitimate medical purpose.

Do you see what I have just read?

A Yes.

Q Okay. Then in Exhibit 3, there is no page number, but the Bates number that you all produced it with is Bates 63, which I guess is the third page. Number 6 has the heading for prescription drugs. Are you with me there?

A Yes.

Q I don't see anywhere in the current Wellness Policy section for prescription drugs any list of particular drugs that are strictly prohibited with or without a prescription. Am I correct in reading that there is no such listing anymore in the current Wellness Policy?

Mr. McDevitt. Do you mean with respect to prescription drugs as opposed to drugs for which you cannot get a prescription, like crack, heroin?

BY MR. LEVISS:

Q With respect to testosterone, dihydrotestosterone, anabolic steroids, HCG, GH and amphetamines?

A No, it is not the same language.

Q Why the change? Why doesn't that language appear in the current Wellness Policy?

A Because it was Dr. Black's recommendation that the new drug policy be drafted the way it is. So we relied on his medical advice and his expertise to guide us as to the appropriate language and appropriate testing measures.

Q Did he explain to you any of the differences between the drug testing policy as it applied to prescription drugs in the Wellness Policy versus the way it had been under the old policy?

A Not that I recall.

Q Did you understand the differences before the Wellness Policy went into effect?

A I wasn't necessarily comparing, myself, the first policy to the policy that we were implementing at that particular time, because we were relying on Dr. Black who was clearly up to speed in the world of forensic toxicology to advise us as to the best way to approach this in comportment with the law.

Q Were there any discussions about how to treat prescription drugs under the current policy?

Mr. McDevitt. Are you talking, that she participated in with Dr. Black?

Mr. Leviss. Are you aware of any discussions about how

to treat prescription drugs under the current Wellness Policy?

Mr. McDevitt. If I could then, I just want to be clear.

There are privileged communications that are responsive to your question; she is not going to disclose those, and I want to try to get you the information that you are looking for.

But it would be helpful if you had a clear question, if you are asking her if she participated in any such conversations with Black, or if she participated in any with counsel, so you would know the answer and a proper record can be made here.

Mr. Leviss. What is the privilege that you are asserting here, just so I am clear?

Mr. McDevitt. I am an attorney.

Mr. Leviss. I understand.

Mr. McDevitt. That is my client, and any communications I have with my client are subject to the attorney-client privilege.

Mr. Leviss. I understand that.

Mr. McDevitt. Any communications I had with Black may not be, but you might want to establish if she was on such a call.

Mr. Leviss. Congress and the committee are not

required to recognize nonconstitutional privileges. The attorney-client privilege is one such privilege.

Mr. McDevitt. Well, you can get a court order.

Mr. Leviss. We don't need a court order. We can discuss whether we can get the information we are looking for without going into those conversations.

An alternative is for your client to answer our questions, and we can then ask the chairman for a ruling; and if the chairman honors the attorney-client privilege, then that portion of the answer will be redacted from the record.

Mr. McDevitt. You are unnecessarily missing my point.

You have spoken to Dr. Black. Dr. Black has told you, I assume, whatever he has told you about who he drafted the policy in conjunction with. Linda may not have been involved in the conversations on the subject matter of your question. That may involve conversations between Black and I, for example.

You are free to ask Black whatever you want to ask him. You might even be able to be free to ask me that.

If she was privy to such conversations, we would not claim a privilege of them. But I don't want there to be a misleading record here about the corporate knowledge about the reasons for these changes.

If you want to ask her if she was involved in any



nonprivileged communications, we wouldn't have an issue to begin with and you would have a clear record: Was she involved in any such conversations with David Black on the subject matter of your question?

All I am asking you to do is make a clear record.

BY MR. LEVISS:

Q Maybe you are not hearing my question. I asked you if you are aware of discussions about the treatment of prescription drugs under the wellness program?

A If I am aware that there were discussions?

Q Yes.

A Yes.

Q And who took part in those discussions?

A I don't remember all of them. I don't recall myself being involved in the discussion with those particular aspects.

Q And who do you recall hearing took part in those conversations, to the extent you have knowledge of these discussions?

A To the extent that I remember, it was pretty much Ed Kaufman, who is our General Counsel. We had a group. As I think I mentioned before, there is Ed Kaufman; Jerry was included in those; Dr. Black was on some of the calls. I can't remember the specifics of what call, what day.

Let me just reemphasize that relative to prescription

drugs, we definitely left it with Dr. Black to determine how the policy should be written and how it should be administered.

Q And so did Dr. Black just present you with a policy?

A I think it was communication back and forth. He had a draft, that we originally got from him, is my recollection. Or I am not sure if we drafted it first and sent it to him and he came back with it. I don't recall which way it went.

Q And then -- so somebody made an initial draft policy?

A Actually, you know, let me --

Mr. McDevitt. Again, you have these documents. We have provided these documents to you. You know the answers to these questions.

If you wish to put the documents in, why would you want to trick her with them? You have every draft of that policy that was ever done and it has been provided to your committee long ago. This is wasting her time.

Mr. Leviss. Jerry, this is actually wasting her time.

Mr. McDevitt. No, it isn't. No, it isn't.

BY MR. LEVISS:

Q Ms. McMahon, I am interested in your knowledge and your recollection of the process of developing this policy.

A I know that there were drafts back and forth with

the policy. I reviewed some of the drafts going back and forth; I might even have made notations on some of the drafts going back and forth.

But it was a cooperative effort, certainly, between our company -- I think primarily myself, Ed Kaufman, our General Counsel, Mr. McDevitt, Dr. Black and I think a person out of his office, is my recollection.

Q Are you aware of whether the company received any new medical information that would justify a different treatment of prescription drugs under the Wellness Policy versus the treatment of prescription drugs under the 1996 policy?

A What? Ask me that again.

Q Are you aware of whether the company received any medical information that supported treating prescription drugs differently under the Wellness Policy than they were treated under the 1996 policy?

A Not to my knowledge that I can remember today.

Q If you would look at page 3 of the 1996 policy, Exhibit 1, that is, under 5, Testing Procedures, it says, At the time of a doping test a drug analysis request and chain of custody form will be filled out. On this form all drugs and supplements currently being used must be declared. At the same time valid prescriptions must be presented for any drugs declared.

And then on the Wellness Policy, Exhibit 3, at Bates number 68, it says, under 12, Procedure for -- is that right? Yes, under 12, Procedure for a Positive Test, step 3, In the event that a talent test positive for a prescription drug, it shall be the responsibility of talent to provide to the PA within 5 days of notification of a positive test suitable proof that the drug in question has been taken pursuant to a valid prescription for a legitimate medical purpose given by a licensed and treating physician and to provide copies of the prescription and the name, address and telephone number of the prescribing physician.

Do those two policies require different procedures in your view?

A In my view, yes. One of them is stating at the time of the drug test at one point the list of all drug -- well, I can read it back to you.

Q Sure.

A -- drugs and supplements currently being used must be declared.

And the other one is, if you are found positive, then there would be confirmation that it is a valid prescription.

Q So, under the current policy, am I correct that talent don't have to declare all of their prescriptions in advance? Is that correct?

A Correct.

Q And why is that?

A It is simply the way the policy is written with Dr. Black.

Q Why did the policy change?

A I don't know. Apparently, in his experience, this was a very suitable way for it to work.

Q Are you aware of any discussions about changing the policy in this way?

A I am not.

Mr. Cohen. Can I ask a question about the drafting process with Dr. Black?

Did you come to him and ask him to give you a draft of the policy? Did you present him with an initial draft of the policy? Who wrote the first draft of this policy?

Ms. McMahon. I was trying to recall that earlier. As I said, I believe Mr. McDevitt drafted the first policy and sent it to Dr. Black, is my recollection.

And my other recollection is that it was a far -- well, that Jerry drafted it and sent it to Dr. Black.

BY MR. LEVISS:

Q Do you know whether Dr. Black discussed the change that I just described with anybody else at WWE?

A If he did, I am not aware.

Q Do you know whether he discussed it with any other outside experts?

A I don't know.

Q Let us look at again on page 63, or Bates 63 of the Wellness Policy, Exhibit 3, part 6(d). Again, this is under Prescription Drugs. It reads, The use of prescription drugs obtained from a physician who is not advised that another physician was prescribing the same and/or similar drugs. And this is under Uses That Are Prohibited regarding prescription and over-the-counter medications.

So the policy prohibited the use of a prescription drug obtained from a physician who is not advised that another physician was prescribing the same and/or similar drugs.

Do you see where I am reading?

A Yes.

Q Why was this provision put in the policy? Do you know?

A I think in discussions earlier, when I was telling you that one of the things we wanted to prevent were some of our talent who would go from town to town and they would get a prescription for, maybe it was for a pain reliever, maybe it was -- or for whatever, and that doctor would be unaware that they had obtained a prescription from someone else because it wasn't really a treating physician.

So they would have more than was necessary, and they often would self-dose. That did, on some occasions, lead to addiction problems, so that is what we wanted to avoid.

That there would be a treating physician, who our medical director, at that time Dr. Black, could speak to, to make sure that the prescription was being utilized in the way it was being prescribed.

Q How does WWE enforce this provision if the talent aren't required to provide all of their prescriptions up front?

A When they are tested, if they test positive for a particular drug -- I mean, I don't know that we would -- I don't know how that actually is done. We certainly would call the treating physician, and that talent is supposed to give you the name of the treating physician. You call and speak to that treating physician, who says, This is the prescription, here are the reasons for it and this is the dosage that is being given.

I think what I mentioned before often -- is often you would find elevated uses, elevated doses, on a test that was more than what any doctor would prescribe.

Q But how does it first come to your attention? I mean, if the talent doesn't have to provide to you their prescriptions, how would the issue come to your attention?

A I am not sure.

Q Or the company's attention?

A I don't know.

Q Do you know who would know?

A No.

I think you need to understand too here, this is not a "gotcha" policy, this is not a "Gotcha," man, you are doing all this stuff. This is a program to help these young men and women have a healthy lifestyle.

Q Sure.

A So we put this language in as a deterrent to advise them they should have a treating physician who has actually -- now make it clear to all our talent that they should have a single treating physician who gives them their prescriptions, because it is in their best interest to do so.

I am not sure how this would have come to attention relative to prescriptions if there was more than one doctor who prescribed it. I don't have any idea.

Q So you think this has more of a deterrent effect?

A I would think so. Dr. Black may have more information about that, but that would be my understanding.

Q Would he be the best source of understanding this?

A Yes, he and Dr. Ray.

Q Anybody else in the company?

A They would be the best.

Q In the 1996 policy, Exhibit 1 again, page 4, number 8 is Attempt to Falsify a Test, and it says, A deliberate attempt to falsify a test result by substitution of another



specimen, adulteration of the specimen or other means to provide a false result will result in breach of contract and dismissal.

In the Wellness Policy at page 64, section 4 describes masking agents and techniques used to avoid detection. And there is some language discussing techniques to avoid detection of a prohibited drug or to compromise the integrity of a drug test. And then at the bottom of that it says, The use of any such agent or technique shall be treated as a positive test for substances prohibited by this policy for disciplinary purposes.

There appears to be a difference in these two policies. Under the earlier policy, the result is breach of contract and dismissal; under the current policy it is treated as a positive test. Do you know the reason for that change?

A No.

Q Do you know who might at the company?

A I would think Dr. Black, I guess.

Q Do you know whether there are any discussions within WWE about this change in policy before the Wellness Policy was finalized?

A I think my response to all of those questions you keep coming back to is, pretty much it is the same group. There are discussions within the company that would have taken place. I was not part of all those discussions. To

the extent I was and knew, I will be happy to tell you.

Q Was Mr. McMahon part of those discussions?

A I doubt it.

BY MR. COHEN:

Q There is another set of differences between the two policies with regard to testosterone testing, the allowable testosterone ratio. Page 4 of the 1995 policy, this states that a testosterone-to-epitestosterone ratio above 6 shall be treated as a presumptive positive.

The 2006 policy is on pages 67 and 68. It says that a TE ratio above 10 shall be conclusively regarded as a positive test result and a TE ratio greater than 4, but less than 10 shall require follow-up testing and/or medical evaluation.

Can you tell us why the ratio for presumptive positive tests in the current policy was set at 10 to 1?

A That was absolutely the recommendation of Dr. Black. There are a lot of formulas, et cetera and all, that go into understanding of all those ratios. I am not an expert at that. He was. He is. He made those determining factors, and we accepted them.

Q Was his ratio, was Dr. Black's recommendation 10 to 1 in this area?

A That is my recollection, yes; just as it is written was his.

Q I am going to present you with another document. These are handwritten notes. This is Exhibit 4 that we are up to. These notes refer to a meeting of David Black, Frank Moser, J. McD, someone referred to as Liz and the initials LEM.

Does LEM in these notes refer to you?

A Yes.

Q And does J. McD refer to Mr. McDevitt?

A Yes.

Q Do you know whose notes these are?

A They are mine.

Q These notes state --

A They are not dated, but they are mine.

Q The meeting --

A Oh, it is dated.

Q -- looks like it was dated 12-6-05. There are notes there, handwritten notes, "Dr. Black not a fan of lowering below the 6 to 1."

Did Dr. Black recommend a 6 to 1 ratio at that meeting?

A I think my recollection was that we had asked about lowering it, did it make sense to lower it. My recollection is that he said "no," it didn't.

Q And at that point did he provide a specific recommendation for where it should be?

A I am not sure if it was at that point or later on.

Q But later on Dr. Black did --

A I think you will see the three points in our program that it addresses.

Q Dr. Black, again, just to clarify to make sure we understand your answer, Dr. Black specifically recommended the 10 to 1 ratio?

A That is my recollection.

Q And was it your desire to go below that, did you express an interest in going below?

A We first asked about it because we didn't know what the -- I don't really know enough about TE ratios, et cetera, to understand what one means is the epitestosterone and all that other stuff. So he made the recommendations based on his experience.

Q When you were putting this policy in place, did you look at the policies in place in any other professional sports leagues or the Olympics, any of the other antidoping policies that are in place?

A I didn't.

Q Are you aware that in some cases the NFL for example, a presumptive positive -- a TE ratio above 4 to 1 is considered a presumptive positive? Major League Baseball has a similar policy; a TE ratio above 4 to 1 is considered a presumptive positive.

Can you explain why you chose a different standard?

Mr. Leviss. Are you aware of those standards, by the way?

Ms. McMahon. No, not that I recall.

Mr. McDevitt. I am not sure they are accurate statements of the standards either for the record, but anyway --

Mr. Cohen. I do have a copy of the -- I am going to provide you with a copy of the National Football League policies on anabolic steroids.

We will call this Exhibit 5, section 7 of that document.

[Linda McMahon Exhibit No. 5  
Was marked for identification.]

Mr. McDevitt. This is 2007?

Mr. Cohen. Yes.

Mr. McDevitt. When did they adopt this, June 21, 2007?

Mr. Cohen. That is the current NFL policy.

Mr. McDevitt. Do you have the policy they had in place when we adopted ours?

Mr. Cohen. I do not.

Mr. McDevitt. So is supposed to compare their current policy?

Mr. Cohen. If possible.

Mr. McDevitt. And the section you are directing her attention to is?

Mr. Cohen. Section 7. That section states that a TE ratio above 4 to 1 shall be considered a presumptive positive.

Mr. McDevitt. Are there other provisions of this, Brian, that says what they do after they get a 4 to 1 reading?

Mr. Cohen. I am not certain.

Mr. McDevitt. With all due respect, you are reading something into this.

Mr. Cohen. I believe they go through a process of, in some cases -- carbon isotope ratios in some cases -- and say a presumptive positive is a presumptive positive.

Mr. McDevitt. It is considered presumptively positive?

Mr. Cohen. Yes.

Mr. McDevitt. It doesn't say what happens after that. Our policy does certain things with 4 to 1, too, as you know.

Mr. Cohen. Yes.

Mr. McDevitt. It is not the difference that you are making it out to be.

Mr. Cohen. There is some difference.

Mr. McDevitt. Well, not really.

If you talk to Dr. Black, I assume you know what happens either way; whether you get a 4 to 1 or 10 to 1 or a 20 to 1, what procedures Dr. Black follows on a urine test

that indicates a TE ratio. There is further work done to make a determination as to whether it is proof of a positive.

I assume you went all through that with them.

Mr. Cohen. Yes. One of these, Dr. Black indicated to us, is that he does not do carbon isotope ratio testing.

Mr. McDevitt. That may well be. But he does blood testing, as we understand it, and other things like that. But anyway -- and I assume the NFL does too.

But anyway, do you want to ask her if she knows about this policy? Or what is the question?

Mr. Cohen. Well, I have a very simple question: The presumptive positive in the NFL test, you indicated to us at some point you have used the NFL as a guide here, do you have any reaction to --

Mr. McDevitt. Who said that?

BY MR. COHEN:

Q When you discussed your 1991 policy -- not this current policy, but you noted your interest in the NFL policy going back.

Do you have any reaction to the fact that the presumptive positive for TE ratios --

A Just to be clear on that, though, when I was talking about the NFL, I said that we had contacts within the NFL who referenced Dr. Black for us. We didn't get a copy of

their policy or anything at that particular time; it was just in relationship with Dr. Black, and we brought him in then to go over our policy for 1991.

I am sorry I interrupted you. I just wanted to clarify that before I forgot it.

Q That is fine.

I would just ask if you have any reaction to the fact that your presumptive positive TE ratio is higher than that, for example, used by the NFL?

A No. Because I think that what we have put into our policy gives Dr. Black whatever he felt was necessary to look at the ranges and to test how he thought and to come to the conclusions that he thought were accurate for that particular individual.

Mr. McDevitt. I would like to say something here.

I don't know how much you know about this TE ratio, and I am not trying to be cynical, but if you go back in the time period of the original policy and you check the Olympic protocols and all the other protocols that were in place at the time, the test was 6 to 1.

As of the time this convention started there was a general sense that it should be lower than that to do further testing to determine if somebody was taking testosterone, hence the 4 to 1.

Their policy, the NFL's policy and our policy, both



took the standard lower for further inquiry as to whether a man is taking testosterone or not than 6 to 1. If we had kept it at the 6 to 1, anybody that is 4 to 1 or 5 to 1 is declared drug free.

Do you understand what I am saying to you? Either way the policy kicks in at 4 to 1 for further inquiry as to whether a man is taking testosterone. It is a more enhanced standard than the one that we had before, because it triggers at 4 to 1. It is only below 4 to 1 that you are declared to be presumptively negative. That used to happen at 6 to 1, Brian.

Do you understand what I am saying to you?

Mr. Cohen. Yes.

Mr. McDevitt. Thank you.

BY MR. COHEN:

Q One more quick question to go over the difference between the two policies.

Our understanding of the random testing in the crime policy, according to the documentation you provided to us and the information Dr. Black provided to us, random testing occurs when talent shows up at designated events, that you provide Dr. Black with a list of events and talent; talent is not made aware of that list, but when they show up, they are subject to random testing.

A That is my understanding.

Q They are not subject to random testing at other times?

A I don't know that. Dr. Black has no constraints on when or where he tests any of our talent. So however he determines is the best way for him to conduct the testing, he does that.

Q So is it Dr. Black's recommendation that there be only testing at WWE events?

A I don't know that he has ever made that. I think that is more the practice, but he is not precluded from testing anywhere, anytime.

Q Your previous policy allowed -- again, we will turn to page 3.

A Of which one?

Q Of the 1996 policy. This states, the talent -- this is section 4, the second paragraph, Unannounced Testing. "Talent will be subject to unannounced testing at any time. The drug program advisor will determine the need, frequency and place of the testing. Talent may be tested at any time when under contract to Titan, including periods when a talent is not actively being booked.

That seems to be a more expansive range of random points at which the talent can be tested than is currently -- than appears to be implemented under your current policy.

A What is your question?

Q My question is, can you explain to us why the current policy, as implemented, does not include random testing at any given time? It appears to only include testing at WWE events.

A Is that specified in our policy? I don't recall that.

Q It was in the documents you provided to us.

A Well, first of all, if you look back to -- I am not sure you are drawing the right conclusion.

However, in the time frame of '91 to '95 we were not on the road every week producing television for two particular brands, Raw and SmackDown. During that time, I am not sure if we were on the road every other week or if it was once every 3 weeks. So the opportunity for testing was not as great as it is today whereby there are 4 days every week that all talent is on the road.

So I think, just by virtue of efficiency, it is good to do it at events. But as I say, Dr. Black is not precluded; he determines where or when. One is not intended to be more comprehensive than the other.

Mr. Cohen. Okay.

BY MR. LEVISS:

Q It sounds like you generally defer to Dr. Black in terms of designing the Wellness Policy, but also

implementing it.

A I think that is a fair statement.

Q Have there been instances where Dr. Black has made recommendations about -- let us start with the design of the policy, that the company has rejected?

A I am not aware of them.

Q How about the implementation of the policy? Has he made testing recommendations, has he made any recommendations about what to do with a positive test result that the company has rejected?

A Can you be specific?

Q I can't. I don't have an instance in mind. I am actually asking very generally because I would like to know if there are such instances.

A I am not recalling any at the moment. I know we have amended the policy a couple of times.

Q But there haven't been any debates or disagreements that you are aware of with Dr. Black about how the policy is being administered?

A I don't think so.

Q Under the Wellness Policy it appears that the first round of testing is described as a screening program without penalties for talent who test positive?

Mr. McDevitt. Baseline testing?

Mr. Leviss. Baseline testing, yes.

What is the rationale for that provision?

A To determine where the talent are at that particular time.

We implemented a Wellness Policy in midstream. Now we do precontract testing; however, this policy was implemented midstream. We felt that it was fair notice to have a baseline test with these talent to get any levels or any abuse or whatever that they were doing, just as we do with the cardiology program. They go in, they have their echocardiogram, we look at that, that is the baseline and we move from there.

Q Was there any discussion about whether or not to assign penalties for a positive test in that baseline screening?

A No. It was a given that that is the way we operated.

Again, I am going to keep reemphasizing this. This is not a "gotcha" policy. This is a policy to help these men and women with anything that they might be doing that is illegal or whatever. This is designed for that.

So our goal was not to throw a test out there, okay, we got you, gone, whatever. Our policy was to determine, are there things that we need to look at; and we are going to recommend to you these are the steps that you need to follow, this is what will happen the next time.

Q Do you think talent understood that use of illegal drugs would not be tolerated prior to the Wellness Policy?

A What?

Q Do you think that -- prior to the Wellness Policy going into effect, do you think that talent understood that use of illegal drugs would not be tolerated?

Mr. McDevitt. "Illegal drugs" meaning what?

Mr. Leviss. You used that.

Mr. McDevitt. "Illegal" is a legal conclusion. Are you talking about prescription medication here or what?

Mr. Leviss. I am referring to whatever you were referring when you just used the phrase "illegal drugs," "illegal substances."

Ms. McMahon. I believe that any person, right-minded, would think that if they are committing an act that is against the law that that is not something they should be doing.

BY MR. LEVISS:

Q So why is it a matter of fairness that there shouldn't be any penalties for an initial positive result?

A We are not the police. I am not looking to catch you. I am looking to tell you that if you are doing this, to stop.

Q Well, what does the policy do with a baseline positive result that encourages talent to stop?

Mr. McDevitt. What?

Ms. McMahon. Ask me that again. I don't understand.

BY MR. LEVISS:

Q How does the Wellness Policy encourage talent to stop using drugs based on a positive test result?

A I think you have the documentation of Dr. Black that shows how he communicates with the talent for what he has found and gives them instruction or direction. We are not involved in that.

BY MR. COHEN:

Q Dr. Black gives them instruction or direction there?

A For instance -- well, you could look to see what he has provided in the documents he provided.

Q We have the warning letters that he provided.

A That would be all I am familiar with.

Q Are there additional steps that WWE takes? Does WWE take steps to educate talent, for example?

A Well, before we began our policy, Dr. Black came to visit and met with all of our talent, explained the policy, what the goals were, what the repercussions would be, how we were going to implement it and why -- I think it was pretty effective -- and that sort of laid things out pretty well in our talent.

We are also aware of what was going on in the marketplace.

Mr. Leviss. What was that?

Ms. McMahon. Well, that there is scrutiny about drugs, drugs of abuse, or steroids or whatever.

And by and large, I think they were pretty receptive to the drug policy, the Wellness Policy.

BY MR. COHEN:

Q Besides this initial meeting with Dr. Black, there was a wrestler in the baseline test who tested positive.

Was the matter referred entirely to Dr. Black?

Did WWE take any actions? Did WWE management speak to that wrestler? Did WWE management provide any educational services to that talent?

A Not specifically I am aware of.

Q Did WWE offer to place that talent into a rehab program?

Mr. McDevitt. For any and all drugs that they detect a prescription medication?

Mr. Cohen. For any cases where talent tested positive on this baseline testing, can you tell us what specific action WWE took, aside from referring the matter to Dr. Black?

Mr. McDevitt. You have spoken to Dr. Black. I assume you covered this ground.

Mr. Cohen. Yes, we covered what Dr. Black covered.

But my question is, did WWE as an entity take any



specific action with regard to specific wrestlers who tested positive on this baseline testing?

Ms. McMahon. I don't know of any?

Mr. Cohen. And provide assistance to them?

Ms. McMahon. I don't know of any?

Mr. Cohen. Thank you.

Mr. McDevitt. Just to make sure you have a complete record, I am sure you covered with Dr. Black why, for example, you would want a baseline test for things like Deca-Durabolin? You know how he uses those, don't you?

Mr. Leviss. Yes.

Mr. McDevitt. So you do know the answers to all this?

Mr. Leviss. We don't know the answers to all the questions we are asking, Jerry, if that is your suggestion.

Mr. McDevitt. Well, you are not going to get them from her.

You had the expert in here. I would think you would have asked him, how do you use the baseline measurement for Deca-Durabolin to determine whether the talent has ceased using the drug or not?

Mr. Leviss. I think it is fair to ask Ms. McMahon whether the company did anything independent of Dr. Black's response.

Mr. McDevitt. A forensic toxicologist is the expert in making these determinations.

Mr. Leviss. Are you suggesting that it is an unfair question?

If we can move on.

BY MR. LEVISS:

Q Let us talk about some of the amendments to the Wellness Policy that you all provided to us.

We were provided with three amendments that I am aware of, and we will bring those out. Have there been other amendments to the policy?

A If they have you have been provided with them.

Q Is there a general procedure for adopting amendments to the Wellness Policy? Is there a company procedure?

A Under the terms of the policy I believe we have leave to amend it.

Q Were you involved in the process of amending this policy?

A No. I am made aware of it. But of the determination, not really.

Q Do you know who within WWE is involved in discussions to modify the policy?

A It would again be primarily Vince, John Laurinaitas, General Counsel Ed Kaufman.

Q Dr. Black?

A Dr. Black for sure.

Q How about the board, does the board have any

involvement in amending the Wellness Policy?

A Typically not.

Q Do you know anything about how talent gets informed of changes to the policy?

A The amendment is sent to them.

Q By mail? How is it sent to them?

A I don't know.

RPTS DEAN

DCMN NORMAN

BY MR. LEVISS:

Q Were you involved in the discussions that led up to amending the policy for the three amendments the company provided to us?

A Do you have the amendments?

Q Sure.

Mr. Leviss. This is the first amendment.

[Linda McMahon Exhibit No. 5  
was marked for identification.]

BY MR. LEVISS:

Q Exhibit 6 is the first amendment, dated June 13, 2006.

Ms. Safavian. Dave, what's Exhibit 5?

Mr. Cohen. The handwritten notes -- the NFL notes.

Ms. Safavian. Oh, sorry.

Mr. O'Neil. You said 6/13?

Mr. Leviss. Yes, the 6/13/2006 amendment to the 2006 substance abuse and drug testing policy, dated February 27, 2006, that, of course, refers to what we've been calling Exhibit 3.

Mr. McDevitt. Yeah; 5 is the NFL policy that tried to be better than ours.

BY MR. LEVISS:

Q You've had a chance to look at Exhibit 6?

A Yes.

Q Were you involved in the discussions that led to this amendment?

A I remember there was a positive test for Soma, I don't remember by whom or whatever. But it then came to our attention that Soma was not listed as one of the drugs, so I remembered that it was not then included.

Q When you say you remember, is that because you were part of the discussions, or you recall learning of them from other people?

A I was informed of it.

Q Okay.

A I don't know by whom. It came to my attention.

Q Then I won't ask you about the reasons for this.

A Again, it is an evolutionary policy.

Q Sure.

A As more things come to our attention, we amend the policy to make it as effective as it can be.

Q Part of what we are doing today is trying to learn more about that evolution, but if you don't have knowledge of it, then that's fine, we'll move on.

Q Before I even mark it, let's see if you were involved. So you are looking at something that's Bates

stamped 71?

A Yes.

Q The heading is Second Amendment, dated August 21st, 2006.

A Yes.

Q Again to the 2006 wellness policy --

A Can you just let me finish reading it?

Q Oh, I'm sorry. Of course.

A Okay.

Q Were you involved in the discussions that led up to this amendment?

A I remember some discussions about whether talent would perform when they were under suspension or not, but it was not my determination for the amendment.

Q But you were in these discussions?

A Some discussion, you know. You say "these discussions," you know, I don't know what discussions. "A discussion" I'm sure I was in, because I remember it.

BY MR. COHEN:

Q Do you remember who was involved in that discussion?

A No.

Q Was Mr. McMahon involved?

A Possibly.

BY MR. BUFFONE:

Q Was Stephanie involved?

A I don't recall.

Q Do you remember if anyone from Talent Relations was involved?

A They might have been. I don't remember the specific discussions so I can't people picture sitting around the table.

Mr. Buffone. Okay, thank you.

Mr. Cohen. I'll take that back, we don't need to mark it.

BY MR. COHEN:

Q I had asked you whether there were other changes to the wellness policy, apart from the three amendments provided to us. I will assume that's the third amendment provided to us, so you're in a position to answer that.

A Okay.

Q First of all, are you aware of any other amendments to the wellness policy apart from the three amendments that we've shown you?

A I'm not.

Q Under the wellness policy as it stands today, can wrestlers elect to appear or can talent elect to appear if they are receiving no or limited pay for the engagement?

A I'm sorry, ask me that again.

Q To codify and to review the amendment -- the second and third amendment that we provided you with, those

amendments referred to allowing talent who had tested positive and is under suspension, to appear at WWE events?

Mr. McDevitt. At the company's discretion.

Ms. McMahon. Right. Not allowing, but at the company's discretion.

BY MR. COHEN:

Q Can the wrestlers elect not to appear if they are not being paid? Is this essentially an order from the company that they must appear in these circumstances?

Mr. McDevitt. An order?

Mr. Cohen. Yes.

Mr. Buffone. Would it be a breach of contract to not appear?

Ms. McMahon. Yes.

BY MR. COHEN:

Q Can you tell us on how many occasions those amendments have been invoked? How many times have wrestlers who have tested positive and are under suspension, how many times have those wrestlers worked or appeared on WWE shows or in WWE events?

A I have no idea.

Q Who would know?

A I would assume you would ask Talent Relations. You would probably have to go back and refer to schedules. I doubt anybody knows that off the top of their head.



Q Okay. This is a mechanical question. With this policy in place, if a wrestler who is suspended can still appear in a show, what means do you have to ensure that wrestlers are being penalized if they test positive? If, for example, they are appearing at shows, do you track payroll records to make sure that they are not being paid during their period of suspension?

I will draw the example for you. If a wrestler is suspended and is not allowed to appear and it is made public that that wrestler can't appear for, say, 60 days --

A First of all, it is not made public.

Q In a theoretical scenario. If a wrestler would be suspended -- let me draw a scenario from a different sport, Major League Baseball. A Major League Baseball player who tests positive for steroids receives a public suspension. There is a means to ensure that that player is being penalized, in that the public and the other teams are aware that the wrestler is under suspension and cannot appear. If he appears -- if that player appears, then it's intuitively obvious that the penalty is not -- that that player is not being penalized.

In cases where a wrestler tests positive and is suspended, if the public is not informed, if nobody is informed of their suspension outside of WWE, and that wrestler can still appear at WWE events, what means do you

have to ensure that in fact that wrestler is being penalized?

A I'm going to try to answer the best I can as to what you're trying to get at. At the particular time of this amendment being drafted, there was no public statement, we not release names, and that was by virtue of our policy and the releases that had been signed. We did not make it public, who had been suspended for rug policy.

Again, we are an entertainment company, we have creative story line in which these talent might be involved. One of the greatest penalties for them is to have to work for no pay; to have to show up, have to be there and work for no pay. That is no longer the case by the way.

I'm not sure if it is a formal amendment when you ask me about amendments. Today, since November 1st, we notified our talent that if you are found positive for a test we will release your name and they are not appearing in our television programs if they are under suspension.

Q Do you know why that change was made?

A To make the policy more -- really to let the superstars and the talent feel more the severity of the policy.

Q Do you know who was involved in the discussions over changing that policy?

A Myself, Vince; Stephanie was involved at that

particular time; John Laurinaitis. There may be others, those are just ones that I recall.

Q Was Dr. Black involved?

A I don't know.

Q I believe you said this in the process of your discussion before --

A Excuse me. Let me be more thorough.

Q Sure.

A In terms of tracking, where I first thought you were going, clearly payroll deductions are noted from our Talent Relations Department to our Finance Department that says that this person is on suspension, do not pay him. So there was a record that tracks that they were not paid.

Q Okay.

A I thought that's what you asked me the first time.

Q Yeah, that is my question. Are those auditable by your board or other independent outsiders?

A I don't think the board will spend the time doing that, but it is clearly audited internally by our account relations people and our finance people.

Q Are they audited by anyone else besides your Talent Relations and your finance people?

A That particular little aspect? I doubt it.

Q Thanks. I believe you said you notified talent --

A Don't forget we are a public company.

Q That's why I asked the question whether your board can audit this.

A We are a public company and we are subject to audits by internal auditors, external auditors, and all the governance issues that are part of the world of being a public company today.

Q You said this yourself, I believe, but just to clarify. You notified your talent on November 1st that this was the new policy?

A Prior to November 1st, but we notified them effective November 1st.

Q Okay. And this has not yet been codified as a formal amendment to the policy?

A I don't remember. I don't remember if it was sent out to them as an amendment.

Mr. McDevitt. When you say "this," which part, Brian?

Mr. Cohen. Essentially that provision appears -- that that announcement --

Mr. McDevitt. The November 1st announcement?

Mr. Cohen. Yes, yes.

Mr. McDevitt. Let me --

[Witness confers with counsel.]

Mr. McDevitt. I'm sorry.

Mr. Cohen. That's okay.

Ms. McMahon. I can't see in my mind the formal

amendment relative to notification of talent, but I would assume that was done, relative to their names being released effective November 1.

BY MR. COHEN:

Q So you believe there was a formal --

A Notification.

Q A formal notification of talent. We have not received a formal amendment to the written policy. Has there been such an amendment?

Mr. McDevitt. We can check that for you, Brian. I think there was -- but I'm not certain as I sit here -- on the issue of notifications will be made public November 1. There was not a formal amendment made regarding whether talent would appear while on a public drug test because the interpretation -- it has always been our discretion not to. So they have since been told that's not going to happen anymore. We can get you that.

Ms. McMahon. That was my recollection, too.

BY MR. COHEN:

Q Was there any dissent about this November 2nd notification that you're aware of? Was there any disagreement by anyone within WWE about this change?

Mr. McDevitt. Again, "this change" meaning the public notification --

BY MR. COHEN:

Q And the talent being informed that they would not be appearing.

A Internal at WWE corporate?

Q Yes, yes.

A No, not that I recall.

Mr. Cohen. Okay.

Anything on amendments?

Ms. Safavian. No, no.

BY MR. LEVISS:

Q I would like to ask you some questions about therapeutic use exemptions. The WWE wellness program allows therapeutic use exemptions for wrestlers or talent who have a legitimate prescription for use of certain steroid and other drugs; is that correct?

A Are you reading?

Q No, I'm describing my understanding of the policy. Do you know what a therapeutic use exemption is?

A I can tell you how our policy is drafted. And it was drafted that drugs will be used for legitimate medical purposes. So to that extent I'm familiar.

Q Are you familiar with the term "therapeutic use exemption"?

A Yes, I am.

Q Are you familiar with the shorthand version, TUE?

A Yes, I am now. I was not at the time of drafting

this policy.

Q When did you become familiar with it?

A Some time since.

Q What do you understand a TUE to be?

A A use of prescription by virtue of a medical reason.

Q Bear with me a second. So page 63, Bates 63, of the wellness policy addresses under section 6 prescription drugs.

A Yes.

Q It says, WWE recognizes that there are many prescription and over-the-counter medications that serve essential or beneficial purposes for the health and well-being of WWE talent and nothing in this policy is intended to discourage the proper use of these medications.

Do you follow where I'm reading?

A Yes.

Q Does that part of the policy allow for the use of steroids by prescription?

Mr. McDevitt. That's just a mischaracterization of that entire paragraph and you know it.

BY MR. LEVISS:

Q I'm asking you if the prescription drug section --

Mr. McDevitt. Read the rest of the paragraph. That whole paragraph is intended -- as is obvious from the lead-in that you just read that talks about prescription

drugs can be used properly, but prescription drugs can be also used improperly. And the whole point of that section is to list, as we do right after that, uses of prescription drugs that are deemed to be prohibited, one of which you reviewed earlier.

The intent of 6 is to list stuff that is prohibited. You are trying to characterize that as something it is not.

Mr. Leviss. I am not characterizing anything. I am reading your policy.

Mr. McDevitt. Yeah, you are.

BY MR. LEVISS:

Q In section (c) Use of Prescription Drugs, it says "the use of prescription drugs taken without a proper prescription given for a legitimate medical purpose by the personal physician of the person tested." That's one of the things that is ruled out by this policy.

Mr. McDevitt. Right.

BY MR. LEVISS:

Q My question is: Does that language mean that certain prescription drugs, including steroids, could be taken with a prescription and would be allowable under this policy?

A That would be determined by Dr. Ray and Dr. Black. I believe that steroids are not allowed under our policy.

Q Do you know if -- whether there are any WWE talent



who have been allowed to use steroids by prescription under the wellness policy?

Mr. McDevitt. I want to make it clear. When you say "steroids," are you including testosterone in your definition of steroid, so we have a clear record here?

Mr. Leviss. Yes, we are.

Ms. McMahon. There are, I believe, medical exemptions for the use of testosterone.

BY MR. LEVISS:

Q And that certain talents have been able to take advantage of -- or use. I'm not characterizing it.

Mr. McDevitt. Not take advantage of --

Mr. Leviss. I just -- Jerry, relax.

Mr. McDevitt. No. You know you are not even trying to get any version of the truth. That policy could not be clearer what has to happen before anybody uses prescription drugs, and whether you like it or not it is a prescription drug in America to use. You are criticizing the law, is what you are really criticizing, because this policy mirrors the law. That's what it does.

Mr. Leviss. Is your speech over because what we're doing is asking questions?

Mr. McDevitt. No, you're not making it asking questions; you're trying to make misleading questions. You know what this policy prohibits. You know how it operates.

You've had Dr. Black in here. It is very clear what it does. It mirrors the requirements of the Food, Drug and Cosmetic Act applicable to prescriptions, which prohibits somebody from using prescription drugs for other than a legitimate medical purpose. It is right out of the law that your boss has passed.

Mr. Leviss. Are you done? Because I'm not going to talk over you and I'm not going to tolerate it from you. If you need to take a break to do so, we can.

Mr. McDevitt. What do you mean you're not going to tolerate it from me. This is America. I have the right to speak.

Mr. Leviss. You have the right to speak and I have the right to speak.

Mr. McDevitt. And I haven't tried to restrain you from speaking.

Mr. Leviss. I wasn't restraining anybody, Jerry. I'm asking you not to talk over me, just as I'm not talking over you or your client.

Mr. McDevitt. What is your question?

BY MR. LEVISS:

Q I asked you whether you are aware of whether any talent have been able to use steroids, including testosterone, by prescription under the current wellness policy?

A I am aware that there are two or three talent, I believe, that have a medical use exemption for the use of testosterone.

Q Two or three currently?

A I believe so, though I don't know who they are.

Q How about over the time that the policy has been in place?

A I don't know how many there might be, if any.

Q Is it possible that the number is more than two or three?

A You can ask Dr. Black.

Q You're not aware, though?

A I'm not aware.

BY MR. COHEN:

Q Are you aware of any specific individuals who have received these medical exemptions?

A Not currently.

Q Are you aware of any who have in the past?

A No.

Q You are not aware of any specific -- you've not been made aware of any specific individuals who have received therapeutic use exemptions or medical use exemptions for use of testosterone?

A Yes, I'm aware of two recently that were positive, but I don't remember the outcome of whether or not it was

allowable or not allowable.

Q So you're aware of two recent positive tests, but you were not -- you don't know if they were given medical use exemptions?

A Correct.

Q I'm going to ask this question specifically one more time. I want to make sure I am as clear as possible. You were not aware of any -- of the name of any individual affiliated with WWE who has received a medical use exemption from Dr. Black for use of testosterone under the WWE wellness policy?

A As I'm sitting here, from my memory -- other than what I just indicated -- no.

Q The reason I ask this question is because at least one press report has indicated that former wrestler Chris Benoit had received a TUE, a medical use exemption.

A Oh, I stand corrected. Chris did, yes.

Q He did receive a medical exemption?

A Yes.

Q Are you aware of the circumstances of that exemption?

Mr. McDevitt. This is a problem. If you could ask questions this way: If you could ask her if she's aware of anything in the normal course of business from Dr. Black or any other source other than privileged communications, at

least first, no problem. There has been a lot of communications between her and I in regard to pending litigation and other things. I just want to make a clear record.

If you can ask her that in a way that excludes privileged communications, at least so we know that and are not invading anything, not prejudging your argument that Congress doesn't have to pay attention to privilege, but we may be able to avoid a whole line of dispute about that. So if you could ask the question that way, I would appreciate it.

Mr. Cohen. I will do my best.

BY MR. COHEN:

Q Have you had discussions with Dr. Black or any individuals within WWE about the circumstances of Mr. Benoit's therapeutic use exemption?

A I have not with Dr. Black. Clearly there have been discussions, as you can well imagine, with the whole Benoit tragedy. I can't tell you whether that's the result of the test, internal communication, where it came from. There was a great deal of discussion about Chris Benoit over the last several months.

Q Do you remember when you were made aware of Mr. Benoit receiving that therapeutic use exemption?

A It would have been after his death.

Q You were not aware prior to his death?

A Not to my knowledge.

Q Can you tell us how soon after Mr. Benoit's death that you received knowledge that he had a therapeutic use exemption?

A I can't. I just only read the media reports that came out. I think that's pretty much how I learned about it at first. I happened to be in China I think, shortly after Chris's death, for 2 weeks. There was a lot of media swirling around about it at that time.

Q Were you aware of any other current or former WWE champions or top stars in WWE who have received therapeutic use exemptions, medical use exemptions for the use of testosterone?

A Not as I sit here this moment. Like Benoit, you brought up and refreshed my memory --

Q Right.

A If you have others to bring up, I'm happy -- you know, it is a memory test. I can't remember it all. I'd be happy to tell you what I know. I'm happy to share with you, I'm not trying to hold back information from you at all.

Q That's fine. I guess I will just ask you to take a few seconds to refresh your memory and think about whether it has come to your attention that any of the champions or the top stars at WWE have received medical use exemptions?

A I can't think of any right now.

Q Are you aware of whether John Cena has received a medical use exemption?

Mr. McDevitt. You know, stop. You're now going into individual drug test results, I mean you are; I mean you have been.

Mr. Cohen. Jerry, I asked a very specific question before.

Mr. McDevitt. Well, I know.

Mr. Cohen. I asked it as general as possible.

Mr. McDevitt. But that's still --

Mr. Cohen. I then asked a very specific question and was given a different answer to that question.

Mr. McDevitt. That's not what you're doing.

Mr. Cohen. I'm trying to find out some information here. Ms. McMahon has indicated that she perhaps needs her memory to be refreshed, and I'm trying to do that if need be.

Mr. McDevitt. Now, yeah. But you were asking without names before, and she could have answered that question without names before if she had a memory of it.

Mr. Cohen. Well, she didn't answer the question that way. She told me she had no knowledge.

Mr. McDevitt. Well --

Mr. Cohen. And then I asked a name and she, in fact,

had knowledge of that name.

Mr. McDevitt. So that's what we're going to now do, go through the names of the roster and ask of this person and that person. This is definitely different from the letter that we received from the committee.

Mr. Cohen. I will not go through every specific name.

Mr. McDevitt. That went to great lengths to say we will not be asking for the individual drug test results of people or to turn over their results, and now you're asking her whether John Cena has a testosterone use exemption.

Now, it is not that I would necessarily mind you getting the answer to that, quite frankly, but it frankly is contrary to what you are operating under with this Commission's rules. And it is a violation of the privacy of these people. And there is not a drug testing program in America that can be run if the results of that are subject to congressional investigation. It won't happen, Brian. I'm being honest with you. People will not do drug testing programs if that's the result, that they get hauled into places like this and asked to reveal the results of drug tests. You will do more harm to people who are trying to do drug testing than you can imagine if you are going to start that process, Brian.

Mr. Leviss. We are trying to understand, without the names, the number of individuals who have received medical



use exemptions. And perhaps if at a break Ms. McMahon needs to go over a list of names off the record to refresh her recollection, we're happy to entertain that.

Mr. McDevitt. I'm sorry, I have to say I think that's disingenuous. You have from Dr. Black documents that show you the number of people who got TUEs. You have had him in here, you have graphs of it, you know the answer to that question without identities. You got it right from Dr. Black. So that's not what you are trying to do. You know the number of TUEs.

Now you're trying to put names to them, and that's what you are trying to do by questioning them. Dr. Black gave you that information. I know he gave you that information. We gave you that information. You have information on the number of TUEs. She's told you this morning that there's two people who have been sent to endocrinologists to evaluate TUEs. She told you that this morning without names.

Ms. Safavian. And I would agree. I don't think on the record we should put names unless it is public information, because I don't know what's going to happen with this transcript so I don't think we need the names.

Mr. Cohen. We'll move on.

BY MR. COHEN:

Q Before we do, I would like to refresh your memory

one more time if you can remember whether any -- aside from Mr. Benoit -- whether any top WWE stars, whether any WWE champions, whether you have been made aware of whether that talent has received a medical use exemption for testosterone --

Mr. McDevitt. If you have something to refresh her recollection, give it to her. I mean, to say "refresh your recollection," it doesn't give her anything to refresh her recollection.

BY MR. COHEN:

Q I'm going to ask the question one more time.

Do you have any recollection or knowledge of any top WWE stars or WWE champions, aside from Mr. Benoit, who received medical use exemptions?

A No, not specifically, I don't.

Q Thank you.

In our interviews with Dr. Black, he described the medical use exemptions for testosterone as a testosterone replacement acceptance program. Essentially he described it as cases where talent have taken steroids for so long that their body has effectively lost the ability to produce testosterone. Can you explain to us why WWE needs such a program?

A Why it needs what program?

Q The policy Dr. Black described as a testosterone

replacement acceptance program?

A I think Dr. --

Mr. McDevitt. We didn't hear what Dr. Black's words were. Testosterone replacement acceptance program, I know of no such document nor do we have such a program.

Mr. Cohen. Okay.

Mr. McDevitt. Our program is this. So I don't know what you're referring to here, Brian.

Mr. Cohen. In our interviews with Dr. Black he described his process for giving out medical use exemption, basically allowing wrestlers who have --

Mr. McDevitt. A medical purpose.

Mr. Cohen. -- have taken steroids for so long that their body has lost the ability to produce testosterone.

Mr. McDevitt. And therefore a medical purpose.

Mr. Cohen. He described that as a testosterone replacement acceptance program.

Mr. McDevitt. It is a medical purpose, Brian. You do accept that -- I assume this committee does accept that there are -- that is a legitimate medical treatment for a man who, for whatever reason, whether it was because he used steroids and destroyed his endocrine system, or whatever else, that his medical treatment for that is prescribed testosterone.

Mr. Cohen. Jerry, I am not trying to argue with you,

I'm trying to tell you and Ms. McMahon how Dr. Black described this program.

Mr. McDevitt. Then you went on to say, Why do we need such a program? The question is not whether a company needs a program, Brian. The question is the man needs the medicine, and that's legal in America. Men all over the world get testosterone replacement therapy pursuant to the prescription of a doctor.

BY MR. LEVISS:

Q So whose medical conclusion was it that this program is needed, that there are talent who need to replace their testosterone on an ongoing basis because of whatever condition they have?

A Well, it is written right within our policy.

Q Whose medical determination was that?

A It was Dr. Black. Dr. Ray's now using an endocrinologist. If Dr. Ray felt that he needed to seek the services of an endocrinologist, that's the way it was determined.

Mr. McDevitt. And the treating physician of the man.

BY MR. COHEN:

Q When we interviewed Dr. Ray, he described to the committee that he looks at the prescription but he doesn't ask the medical -- the treating physician any questions about the underlying diagnosis. He doesn't obtain any

additional information. In other words, he does not attempt to determine if the wrestler has been properly diagnosed, only that the treatment fits the written diagnosis.

Did you give Dr. Ray any instruction in how he should evaluate medical diagnoses?

Mr. McDevitt. Brian?

Mr. Leviss. Is there something wrong with the question, Jerry?

Mr. McDevitt. Yeah, there's a lot wrong with the question.

Mr. Leviss. Is it an objectionable question?

Mr. McDevitt. If you wouldn't have interrupted me, you would have found out what's wrong with the question.

Mr. Leviss. I asked if you have a proper objection.

Mr. McDevitt. I do have an objection and I will make it.

Mr. Leviss. Well --

Mr. McDevitt. I assume the questions and answers by a witness that we weren't present for, in fact you didn't want us present for, that we do not have access to a transcript of, and you've incorporated them in a question and given it to this witness -- it is a highly improper question. We have no idea whether you're accurately recounting what his testimony was, I don't mean to imply you're not, Brian, but we don't have any ability -- and you're now asking her to

comment on testimony that she's neither seen nor heard.

That's not fair.

Mr. Leviss. Based on --

Mr. McDevitt. If you have a question about her personal knowledge, put it to her.

BY MR. LEVISS:

Q Based on Brian's description of the testimony, which I understand you don't have and you haven't reviewed, can you speak to whether Dr. Ray received any instructions from WWE about how he was to handle diagnoses that called for medical use of testosterone, for example?

A I do not believe WWE gives him any direction. That is strictly between him and Dr. Black.

Q What's between him and Dr. Black?

A If there are any instructions or discussions, they would take place between Dr. Black and Dr. Ray, would be my understanding.

BY MR. COHEN:

Q So you are not involved in that --

A No.

Q -- decision-making process? You haven't provided Dr. Ray or Dr. Black any input or any instruction as to how that process is to work?

A No.

Q Dr. Black in his interview, he explained to us that

he was working on hiring an endocrinologist to evaluate the medical necessity of wrestlers' prescriptions for steroids in cases where they perceived medical use exemptions were made, or attempting to receive a medical use exemption.

Do you know the status of this hiring process, do you know if someone has been hired?

A We have not put anyone on retainer, but we did utilize the services of an endocrinologist recently for those two I mentioned that we sent for evaluation.

Q Can you tell us who that was?

A I don't know.

Q Would Dr. Black know?

A I assume he would.

Q Was there any discussion within WWE about the hiring of this endocrinologist? Was this strictly a decision made by Dr. Black?

A No, we've discussed it at length. As I've explained to you, our policy is evolving. At first it was Dr. Black, now we've added Dr. Ray. Dr. Ray was the one who suggested that he would like to have the availability to reach out to an endocrinologist. We didn't have to hire one. I think he had discussions with endocrinologists independent of his role that he was performing for us. So he reached out independently.

The recommendation was made that we ought to consider

an endocrinologist if we thought it was warranted, so we have looked into putting one on retainer or using one on an individual basis. We really don't have, to my knowledge, that many instances of use for an endocrinologist. So I'm not sure if it is warranted retaining one or just having one that's highly respected that we would send talent to, as we recently did.

Q Will -- is there a policy in place -- let me rephrase that. WWE does pre-contract screening now. That's my understanding, that you conduct tests on athletes before they sign a contract and are hired. Will WWE allow talent who are new to the organization to receive medical use exemptions?

A I think that has to be looked at on an each-case scenario. We might have -- we had a fellow come up who had testicular cancer. I mean, I think you have to look at each particular case.

Mr. Cohen. Okay, okay. Would you like to take a short break?

Mr. McDevitt. How much more do you think you have?

Mr. Cohen. Another hour.

Mr. Leviss. Hopefully we can keep it to an hour.

[Recess.]

BY MR. COHEN:

Q The information provided to the committee by WWE



indicated that in the initial baseline round of drug testing conducted in early 1996, approximately 75 athletes, roughly 40 percent of WWE wrestlers, tested positive for using steroids or other illegal drugs. Were you surprised by this high number?

Mr. McDevitt. Again, I object to the phrasing of your question. You said steroids or other illegal drugs. Steroids are prescription medication, they are not per se illegal drugs.

BY MR. COHEN:

Q Information that WWE provided to the committee indicated that in the initial round of drug testing, approximately 75 athletes, roughly 40 percent of WWE wrestlers, tested positive for using steroids or illegal drugs. Were you surprised by the number of athletes who tested positive?

A Did you say in '96?

Q In '06. In the initial round of the baseline testing of the current policy.

A I don't think I was.

Q Why not?

A I don't know why not.

Q You indicated in earlier answers that you had no firsthand knowledge or secondhand knowledge of any use of steroids or other drugs by WWE talent, aside from the small

group that were sent to rehab --

A I'm sorry. Go ahead with your question.

Q You had discussed earlier -- David asked if you had any firsthand knowledge, prior to the policy in '06, whether you had any firsthand knowledge of any wrestlers who were using steroids. Essentially your answer was no, you didn't, you had no real secondhand knowledge, you had not seen any information. Now you're indicating that you weren't surprised that 40 percent of the talent tested positive.

Why not?

A I said I didn't know why I was not surprised. It's a -- I don't know.

Q How did WWE respond to these results?

A To the baseline test?

Q Yes.

A Respond in what way? We moved forward with the policy.

Q Did you take any additional action?

A I think you asked me that sort of once before. It was like what was the response; did we talk to counsel; all of that. Clearly it was made clear to our talent that Dr. Black was a source for them, and that they could reach out to him to discuss the results of the test. And we left it at that.

Q Okay.

A To my knowledge.

Q Okay. Talent who received a positive test on this baseline testing were -- my understanding is they were giving only a warning; is that correct? No athlete was suspended for testing positive on this first round of baseline testing?

A Correct.

Mr. Cohen. I'm asking this question, Jerry, based on CNN's reporting Chris Benoit's name.

BY MR. COHEN:

Q CNN has indicated that Chris Benoit was one of the 75 who tested positive in the initial baseline round of testing and received a warning. Are you aware of whether this is true?

Mr. McDevitt. Again --

Mr. Cohen. This is the only name I'm going to ask about, and I'm asking about it based upon public reports that indicated this was the case.

Mr. McDevitt. I'm not familiar with the CNN report saying that. I'm not disputing it, Brian, I'm just not familiar with what it said. What we have said so far publicly, I believe, is his last test was negative. And I believe Dr. Black made a statement about his third test, the one you were inquiring about, publicly. But beyond that I don't think WWE has -- do you have the CNN transcript? I

don't really know what it said.

Mr. Cohen. I don't think we have it with us right now.

Mr. McDevitt. The whole Benoit case, that's not even on the list of subjects that you were going to discuss here, and it raises the same problems we had: How do you raise an argument against individual names if we permit it with Benoit?

Mr. Cohen. In this case this is the only name I will ask for in this regard. It's based on specifically reported information.

Mr. McDevitt. Can you tell me -- I would assume that Dr. Black did not disclose those things when he was in here. I don't know. Did you ask him those questions?

Mr. Cohen. We did not ask him specifically about Mr. Benoit.

Mr. McDevitt. Well, then if you didn't ask him who did the testing, you're going to ask her who didn't do the testing?

Mr. Leviss. Well, if she's aware, we can certainly ask her.

Mr. McDevitt. Well --

Mr. Cohen. Dr. Black raised privacy issues with you. We thought it more appropriate to ask you these questions.

Mr. McDevitt. Well, you know, Brian, it may well have been had there been some kind of discussion about Benoit

before this; there may be some way to do it after this, but it wasn't on the list of topics.

Mr. Cohen. Jerry, when I sent you that list of topics, I specifically indicated that we may go beyond that based on information that we find. And to be quite frank, if we were to look at that list of topics, I could find any number of various witness -- where this question would fall under that list.

Mr. McDevitt. You indicated that you reserve the right to come back and supplement it. But also, Brian, there is nothing on that list that would indicate that there would be a deviation from the practice with the committee that individualized names was not a blank drug test. I don't know if any fair notice was given that that was the intention to date to do that.

As I understand it, it is not the intention here, you're not saying Chris Benoit, but it still raises the problem of we are disclosing individualized drug tests in an environment where, as you indicated in the beginning of this, this could become all matters of public record and I have trouble with that. And I don't really know. The Chris Benoit case is still under criminal investigation by State law authorities, so no matter what you may think from the media reports, the fact of the matter is it is still under criminal investigation. There are ongoing grand jury

matters about that whole case, as you probably know. I doubt that Congress is doing an investigation of murder. At least that's what I've not been told you've been doing,

Mr. Cohen. No, we are doing a broad investigation of the WWE policy.

Mr. McDevitt. That's what I understood. You are now going into a pending criminal case. There's been threats made by people involved in that case for financial purposes that have -- I don't mean any disrespect to your investigation whatsoever, but they have used the leverage and the threats of appearing before you and answering questions to try to extract money from us. And so I am very cautious when it comes to the Benoit case and not allowing anything to happen that they can use against us, like disclosure of a drug test and the possible violation and whatever the rights are. I don't know.

Is it really essential to your investigation to know what Chris Benoit tested for on the first drug test --, I mean honestly? Whatever you wish to assume. Let's assume the worst, Brian; let's assume he did. How does that further your investigation?

Mr. Cohen. Jerry, it is important to us to determine how the WWE policy functions. It furthers our insight into the application of the WWE policies that are in place and provides important insight as to how those policies are

working and whether they are in fact serving their stated goal.

Mr. McDevitt. You've selected Chris Benoit. You can do that with any talent tested to do that.

Mr. Cohen. This is a case that received a great deal of public attention. There has been publicly reported information on this specific question that I asked about. That's why I asked that question.

Mr. McDevitt. I don't know. Again, I'm not disputing what you said. I did not see that. I saw the CNN report, but I don't remember them saying what you said --

Mr. Cohen. It's about the 40-minute mark.

Mr. McDevitt. I don't remember that and I don't know where they would have gotten that information. They didn't get it from us.

Mr. Cohen. That's why I'm asking the question.

Mr. McDevitt. What did they actually say, do you recall?

Mr. Cohen. They said that Benoit had received -- that in the initial baseline testing Benoit was one of the wrestlers who had received a warning.

Mr. McDevitt. Why don't -- maybe we can avoid it this way. If you would ask Linda the question, did you know anything about Chris Benoit's test, his individual test results on the first test. Ask her that. If she has

personal -- I think you'll find she had no personal knowledge about Chris Benoit's individual test results. I think she's already told you that. I think she's already told you that. If you want to ask her did she know at the time the tests were taken of any of Chris Benoit's individual test results --

Mr. Cohen. That's not the --

Mr. McDevitt. Well --

Mr. Cohen. That's a different.

Mr. McDevitt. Again, Brian, if you're trying to get at personal knowledge, I have no problem but without maybe -- because I think it negates the idea of what you are trying -- she doesn't know any of these things at the time they were occurring. Anything that's happened since this murder is so wrapped up in privileges and litigation stuff, and I'm trying to respect your investigation, but --

Mr. Leviss. You've expressed your concerns. I think you're being a little cavalier about where our privileges apply and don't. Brian has expressed to you that we feel we have a legitimate investigative need for this information. We've asked the question, just so that we have a clear record. Are you instructing her not to answer, or are you asking us not to ask the question?

Mr. McDevitt. I'm certainly asking you not to ask the question consistent with what you've said about the scope of



this investigation, not putting names and drug testing results, yes. I would rather not have litigation with you over anything. We've cooperated with you at every turn, we have not fought you at any turn. We recovered those documents for you, we have made our people available and we're here voluntarily. So we're trying to avoid any kind of fight.

But I'm asking you to understand, too, we are being threatened with litigation and all kinds of stuff. So I think if you ask her the question about what did she know about Chris Benoit's test individually prior to the murder. I think she's already answered your question.

Mr. Cohen. That didn't answer my question --

Mr. McDevitt. Well, you can ask her now what does she know about it now? And, Brian, that is all wrapped up in things that we have done since this thing that are counsel-driven, that get information, pass them on to the client and all the rest of that. There is no way to separate these things out from the privilege issues that I'm trying to avoid, other than to keep it to her personal knowledge.

With Benoit, I mean I don't know what you talked about with Dr. Black, if you discussed without regard to specific test results. Did you talk with him about the progression of the test results from baseline to end?

Mr. Cohen. Yes.

Mr. McDevitt. To determine whether or not in his judgment the program had worked with respect to Chris Benoit up through the time of the last test?

Mr. Cohen. No, we did not discuss Chris Benoit specifically with Dr. Black. We -- he indicated to us that he felt his privacy agreement -- his contractual agreement with WWE prevented him from disclosing any of that information. We felt, given what he said, it was more appropriate to discuss those issues with WWE.

Mr. McDevitt. I wonder if we could do this. I'm trying to think of something here. Your question, as I understand it, is you're trying to use Chris Benoit's situation in particular to determine how the drug testing program worked with respect to him in terms of the sequence of the tests and what they showed and whatnot. We have that information obviously. Dr. Black has that information.

Quite candidly this is not a situation where I'm trying to preserve something I don't want you to know. I would like you to know, because frankly I think the answer shows the program worked with respect to Chris Benoit, but I can't do that without waiving privilege.

If I can think about this perhaps and talk with Dr. Black, maybe there is a way we can satisfy the committee. But she can't answer it anyway. She didn't know anything

about it at the time.

Mr. Cohen. I would like to ask her that question.

Mr. McDevitt. Well, I think you did and she told you she didn't know anything to his test results prior to him dying.

Mr. Cohen. That's not the question I asked.

Mr. McDevitt. I'm sorry, Brian. I thought your question was did she know what his baseline -- was he one of the ones who tested positive on the baseline test. Isn't that what you're asking?

Mr. Cohen. I'm asking whether she's aware whether Mr. Benoit was one of the individuals who tested positive on the baseline test.

Mr. McDevitt. And your question does not have a time reference.

Mr. Cohen. Correct.

Mr. McDevitt. So that means if she learned as a result of privileged communications or anything --

Mr. Cohen. Correct.

Mr. McDevitt. What I was trying to do was say can you separate that out from personal knowledge as to relevant points and times so you have a clear record of what she knew and when she knew it. Which is different than what we are really trying to get at: How did the testing apply to Chris Benoit. This is what I think you're -- I'm not sure the

committee understands this. Whenever these people don't test positive, if they are just negative, we don't hear anything.

Mr. Cohen. I know, I'm aware.

Mr. McDevitt. So whatever David Black is doing in the administration of the policy with respect to any particular talent, Chris Benoit and whatnot, it doesn't come to us if it is a negative. It comes to us if it is a positive test result. So he would be the one that would be able to explain to you the sequence of testing with respect to Chris, what he talked with Chris about, what he said to Chris about, each one of the tests we have talked about, if there were these privacy concerns. It may well be that someday that will all be a matter of public record, I don't know.

I think that if you would allow us to think about that for a minute or away from the heat of this thing, maybe we can figure out a constructive way to get the information to you about the sequence of testing that Chris went through. And Dr. Black would be the best one to explain to you what he did, because he would have been the one that dealt with Chris.

She didn't deal with Chris Benoit in any drug test. If you want to ask her that, go ahead and ask her that. I think she will confirm whatever was done with Chris Benoit

on his drug test, it wasn't done by Linda McMahon. If you want to ask her that to confirm it, go ahead.

BY MR. LEVISS:

Q Ms. McMahon, I have a different question. With the exception of Dr. Black, is there anybody else affiliated with WWE who would have known the results of Mr. Benoit's baseline testing at the time or near to the time that the test was conducted? I'm not asking you the results; I'm asking if there is anybody with WWE who would have known that result.

A I don't know if the names were given to us on a positive for the baseline. I don't recall that. Or whether it was just a percentage or a number and we were moving forward. It may very well have been; I just don't recall it today.

Mr. Cohen. Can you give us a second?

[Discussion off the record.]

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Mr. Leviss. We are going to go back on the record. We are going to move on from this topic.

BY MR. COHEN:

Q When a wrestler tests positive, to whom at WWE does Dr. Black communicate the results?

A I believe it goes to Ed Kaufman.

Q And can you just walk us briefly through the process at WWE after Ed Kaufman is informed what happens with the testing results?

A It is my understanding then that talent relations would be notified.

Q And --

A That would be John Laurinaitas.

Q At what point is Mr. McMahon informed?

A Probably the same time.

Q And ultimately who decides whether a wrestler should be sanctioned for a positive test?

A Dr. Black.

Q Dr. Black provides a recommendation?

A Not a recommendation. He does it. It is not -- it is not up for consideration in our camp. He does it.

Q Have you or to your knowledge has anyone at WWE ever suggested to Dr. Black that wrestlers who have tested

positive and for whom he has recommended a suspension -- have there been any cases where individuals have suggested to Dr. Black that that individual should not be sanctioned?

A You lost me a little bit. Can you just ask me that one more time?

Q In cases where Dr. Black has recommended a suspension for a talent, have you or to your knowledge has anyone at WWE ever suggested to Dr. Black that that talent should not in fact be sanctioned?

A Not to my knowledge.

Mr. McDevitt. Could you wait a minute, Brian?

[Discussion off the record.]

Mr. McDevitt. Can she respond further to the question you just asked?

Mr. Cohen. Sure.

Ms. McMahon. In a general way, during that time frame that you referenced, that there was some misunderstanding by our talent relative to prescriptions; and so there was a time I think that there were some positive tests during that time that they did receive that second warning instead of a suspension. That is my general knowledge.

BY MR. COHEN:

Q Does the policy -- the written policy, does that include provisions for such second warnings, for warnings in cases of random tests?

A No.

Q Can you walk us through what was the rationale for those warnings being given instead of suspensions?

A The rationale was there was an understanding on behalf of the talent. They believed if they had a prescription that they were covered from taking the drugs. They didn't understand if they had a positive test but they had a prescription why it was considered a positive test because they had a prescription. Therefore, it was my understanding that we didn't issue the warning. And it was very clear to all the talent of what a legitimate prescription was, from a treating physician. And then our policy kicked in to make sure that we addressed all of those issues correctly. And possibly it was a misunderstanding that we clarified. There is no misunderstanding now.

Q Did Dr. Black initially -- when Dr. Black -- following these positive tests for this group of wrestlers, did Dr. Black initially recommend a suspension?

A I am not sure. I don't remember.

Q You don't recall. Okay.

Who at WWE made the ultimate decision to give these wrestlers a warning?

A I think there were conversations between Vince and Dr. Black.

Q Can you give us any insight into why there was this



misunderstanding between the wrestlers and the policy and Dr. Black?

A The wrestlers themselves interpreted it if they had a prescription, therefore they had a legitimate reason to be taking a drug.

Q Did anyone raise these questions prior to these positive tests when you explained the policy to them or provided them with the written information about the policy? Are you aware of any of the athletes asking this question or attempting to clarify this issue?

A I was not there, so I am not aware of it.

Q Are you aware of any effort by WWE to clarify for talent what the provisions regarding prescriptions meant in the policy?

A Again, I was not there when Dr. Black came and addressed our talent and explained what the policy would be.

Q How did WWE learn of this misunderstanding? How did it come to your attention?

A The talent questioning why did I get a positive? I had a prescription. That is my recollection.

Q I see. Was there more than one -- was your recollection there was more than one talent who came forward with these questions?

A I believe there was.

Q And to whom did they report this misunderstanding?

A Various. They could talk to Vince or John Laurinaitas. That would be probably the two who would be in the forefront for that.

Q Aside from Vince and John Laurinaitas, are you aware of any other individual at WWE who was involved in these decisions?

A Involved with what decisions?

Q The decisions to provide these athletes with a warning.

A Ed Kaufman might have been part of those discussions.

Q Do you have any insight into the nature of the discussions between Dr. Black and Mr. McMahon that you described?

A The nature of the discussions?

Q Yes.

A Only that I am aware that Vince explained to him there was a misunderstanding on behalf of some of the talent, that he didn't feel that it had been clearly explained to the talent about prescriptions, and he wanted that clarified.

Q Okay. Sounds good. This is all I have got on that.

I want to discuss the suspensions, the August suspensions of 10 wrestlers by WWE. This was resulting from the Signature Pharmacy case and your knowledge of that case?

Mr. McDevitt. Before we do that, Brian, would you like some further information on the point you were just pursuing so you have a complete record and understand the evolution of the policy?

Mr. Cohen. Yes.

Mr. McDevitt. Dr. Black is not a medical doctor. When a talent presents what they say is a prescription and he makes a judgment, it is not for a legitimate medical purpose. That is a medical judgment. It creates a risk to the company if the talent challenges it and you have a PhD against a medical doctor.

Part of the reason when this whole issue surfaced, in fact, it is the major reason that drives home, you need a medical doctor if you are going to have a medical doctor questioning another doctor's judgment, which is why Dr. Black is then supplemented by Dr. Ray, who is now being supplemented by other doctors and other doctors and other doctors. There is a reason for all of this. It evolves. And you can only understand that, trust me, if you are in one of these things.

I am sorry. I didn't mean to interrupt you.

Mr. Cohen. That is fair.

BY MR. COHEN:

Q In August, 2007, you suspended 10 wrestlers based on the information obtained. My understanding is you obtained

this from the Albany, New York, district attorney, correct?

A Correct.

Q Aside from the 10 suspended wrestlers, did WWE obtain any information indicating that other wrestlers had obtained steroids or HDH from Signature Pharmacy or any other outside sources?

Mr. McDevitt. From David Soares' office?

Mr. Cohen. Yes, from the Albany DA.

Ms. McMahon. Not that I recall. I think we took the action against those people to whom we had been given their names. I mean, we had them in our office. Vince did. He questioned them personally. Because, you know, we just wanted to be sure, yes, they purchased, they were suspended.

BY MR. COHEN:

Q So you received no other information -- aside from the 10 wrestlers who were suspended, you received no information from the Albany DA indicating that wrestlers who were -- who are or were with WWE had obtained steroids?

Mr. McDevitt. In fairness, she wasn't there. I was. Would you like to know what happened? She wasn't there. She has no knowledge of what was obtained from David Soares, other than what she learned from me. I will be glad to answer you. Do you want to know?

Mr. Cohen. Sure.

Mr. McDevitt. David Soares called us. I forget. I

think it was Ric Harry asked for a meeting, as we understood that he had been meeting with NFL and Major League Baseball and all the rest of them. Asked would we take a meeting.

I went up and met with him. I forget his detectives' names that were working the case. They were on the phone all day. I shouldn't say "all day". They were on the phone with NFL security that day and told us that NFL players had been identified, that their investigation of the Signature Pharmacy outfit had turned up people buying broadly from this pharmacy in football, baseball, hockey. Policemen, doctors, lawyers, and specifically people from the WWE had been buying from Signature Pharmacy since the enactment of the wellness policy in February of 2006. That is what he specifically said and asked whether we would do anything with that information if it was provided to us.

And I said, I am certain we will, but I have a client I have to speak to. I will get back to you.

I spoke with the client, got back to David Soares, said, if you provide the information to us and we can verify it, we will act. He provided it to us.

They were called up, the list of the names of the people who had bought from February of 2006. They provided some form from Signature Pharmacy that listed what substances those people had been buying. They were told to come to WDFW headquarters the next day to confirm that they

had done it, and they were suspended that day. That is what happened.

Mr. Cohen. So again, you received and you suspended 10 wrestlers?

Mr. McDevitt. I don't remember. I think it was more than that, but I could be wrong.

Ms. McMahon. I think it was 11.

Mr. McDevitt. Whatever it is.

Ms. McMahon. It is 11.

Mr. Cohen. You suspended the 11. Were there names of other individuals you received from the Albany DA's office that were not suspended?

Mr. McDevitt. No, no. Let me think. There was one name they provided to us that they ended up admitting was an error. Do you remember?

Ms. McMahon. I can't remember who it was, though.

Mr. McDevitt. Everyone that they originally gave us the names of we brought up to company headquarters. There was a mistake or something made by one in there, and it was confirmed. We went back and said, is that inaccurate; and they confirmed it was a mistake. But everybody that was confirmed to have bought from Signature Pharmacy since the wellness policy, in violation of the wellness policy, action was taken against.

Now, your other question was whether there was other

information provided beyond that. If I remember correctly, Brian, some of the form slips that they sent of the purchases that would show purchases after February of 2006 in some instances so -- purchases before it, so in that sense there would be. And I believe, independent of that, they provided information about Chris Benoit, but that was obviously not a suspension issue.

Mr. Cohen. Okay. Again, just to clarify here, and I want to make sure I am asking the question in the appropriate way, you received information about Chris Benoit, you received information about wrestlers who you ultimately suspended.

Mr. McDevitt. Since the wellness policy had been adopted. That was the line they had drawn.

Mr. Cohen. Got you. You did not receive any information about anyone else regarding activities after the wellness policy went into effect who was not suspended?

Mr. McDevitt. I am just running through the loops of your question. I think the answer is yes.

BY MR. COHEN:

Q All right. We are just about done with the drug policy, you will be pleased to know. As a wrap-up Ms. McMahon, I just want to ask you, there has been information that has come out of the drug policy regarding use of steroids and illegal drugs by professional wrestlers. There

has been information that has come out of the Signature Pharmacy case regarding use of drugs by professional wrestlers. Do you have any other firsthand information after the policy went into effect regarding or indicating that any individual associated with WWE has used steroids or illegal drugs?

A I don't think so.

Q Have you had any -- have you received any -- have you had any conversations and received any secondhand information, any written material, any secondhand or additional information indicating that any individual associated with WWE has used steroids or illegal drugs, any conversations or other communications since the policy went into effect?

A Subject to the policy?

Q Huh?

A That are subject to the policy?

Q Steroids or illegal drugs. Almost all of them -- my assumption is that, for the most part, the policy would cover the list.

Mr. McDevitt. Do you mean like from some source other than drug testing or DA?

Mr. Cohen. Correct.

Mr. McDevitt. Is that media reports?

Mr. Cohen. Any specific media reports you remember,



any other law enforcement authorities that have come forward, any wrestlers or talent who have discussed suspicions or any information that you received?

Ms. McMahon. Not that I can think of today.

BY MR. LEVISS:

Q Do you have much contact with talent?

A Very little, very little.

Q When do you come in contact with them?

A As I say, if I have to go to an arena for an event, I will run into them there. Otherwise, I am not a conduit of information for them. I don't have anything to do with their careers, so I really don't have any -- I don't have any control over what they do.

BY MR. COHEN:

Q We have a set of general questions on issues -- general health and safety issues beyond the wellness policy. These are questions that we perhaps are going to end up -- they may end up to be perhaps not in your bailiwick. I will just ask.

A I will do my best.

Q Fair enough.

Do you have any knowledge of WWE's standards for referees?

A No.

Q Are you aware if they receive any training -- are

you aware of what medical training WWE requires?

A Of our referees?

Q Yes.

A I wouldn't imagine they would have any medical training.

Q Would these be questions that Mr. McMahon would be better prepared to answer --

Mr. McDevitt. Medical training for referees?

Mr. Cohen. -- or Stephanie McMahon tomorrow?

Ms. McMahon. They are the ones who deal more with talent. I can tell you that our referees don't have medical instruction.

Ms. Despres. Are referees considered talent?

Ms. McMahon. Yes. They are considered part of the show.

Mr. McDevitt. They are not real referees. I take it you know that.

Mr. Despres. Right.

Mr. McDevitt. They cheat. That is part of the story.

Mr. Leviss. You are on the record, you know.

Mr. McDevitt. I mean, watch the show. I am not telling you anything.

BY MR. COHEN:

Q Again, I will ask, do you have knowledge of -- the ringside doctors, do you have knowledge of their training

and the requirements and their roles and responsibilities?

A Only that they are legitimate medical doctors and they are there primarily for triage, for accidents that happen within the ring. That is primarily why they are there, the trainers and ringside physicians.

Q Are you aware whether they have any authority to call a match in the middle?

A Who?

Q The ringside doctors.

A If there was an injury, of course. Of course they would.

Mr. Leviss. Do they ever call matches?

Ms. McMahon. To my knowledge -- I mean, we have had an instance where Owen Hart fell from the rafters, you know, by a, you know, a release mechanism. And he fell to -- eventually, he died from the injuries sustained in the ring. Well, no referee or ringside medical doctor had to rush out and tell us to stop the match. It stopped.

And we had another talent whose name was Draws. He was dropped on his head in the ring. He couldn't move. The match was stopped. The EMT units come out.

It is not a question of a ringside physician sitting there going, I don't know. That is not what is going on with the action in our ring.

BY MR. COHEN:

Q We have a set of questions on regulation of WWE by State boxing and wrestling authorities. Can you give us a brief description of the State regulatory authorities that have jurisdiction over WWE and how far that jurisdiction extends?

A Well, I can check our records to tell you how many States still have State athletic commissions. There is very little regulation really that goes on now relative to professional wrestling because it is not a legitimate sport. They are no different than --- they don't -- you know, they don't regulate ice-skating when it comes to town or rodeos or NASCAR. Well, NASCAR is competitive. But we are entertainment.

So while there are some old rules on the books, we get licenses in a lot of States to perform. There are requirements for health examinations, et cetera.

But I mean some of the old boxing regulations that talked about how no action can take place outside of the ring, it must be contained within the ropes and all of that, those regulations, they may still be on the books. They are just not enforced because they are anachronistic. They don't apply anymore. So we really don't get a great deal of regulation. It is more about paying a tax.

Q Are there any States that, were you to compete there, they would have regulatory authority over WWE and

wouldn't require testing of athletes for steroids or illegal drugs?

A There are some States that we submit blood tests for. But I think primarily their concern is looking at hepatitis or HIV or things like that. To my knowledge, there are no States that do steroid testing -- to my knowledge.

Q Has the regulatory umbrella changed for WWE in the last decade since the company became public and made the admission that this was not sport, it was sports entertainment?

Mr. McDevitt. That was made before they went public.

Ms. McMahon. Long before.

Mr. McDevitt. That was long before that.

BY MR. COHEN:

Q When was that admission made?

A That was in the '80s. I mean, Vince used to constantly talk about how this is entertainment.

Q Were there States that regulated WWE prior to that public admission that, following that admission, no longer regulated the WWE State boxing --

A I don't know if it is a quid pro quo. I am sorry. I didn't let you finish your question.

Q No, that is fine.

A I don't think it is a quid pro quo. But, clearly,

as we have been in different States and talked to them about regulation, they fully understand where we are coming from.

As I say, there are States who sell licenses. We pay a fee. They enjoy the revenue that is generated when we come into their States if they charging us a tax on tickets. And there are some State athletic commissions who do that, but it is not really for the purpose of regulating as it is for collection of revenue.

Q Have you avoided performing in any State because of concerns about the authority of State athletic or boxing commissions?

A There was a time that we did not perform. I think it was the State of Washington, and it had something to do with drug testing. But the way they wanted to go about the testing -- and it was more relative to HIV, and I don't remember all of the particulars. But there was a while that we did not play the State of Washington. But we do play there now.

Q So there are no States that you -- do you play in all 50 States?

A Pretty much.

Q And the District of Columbia?

A Oh, we clearly are in the District of Columbia.

Q All right.

A Excuse me, but there are States who have just

totally deregulated us over the course of the last 10 years.

Q I want to get your reaction to the reports of the large number of wrestling-related fatalities. I can walk through some of this. I am curious about to what extent you are familiar with these, and we can put these in the record if you would like.

But in March of 2004, USA Today identified 65 former pro wrestlers who had died between 1997 and 2004. Were you familiar with the story of WWE?

A We were familiar with it when it was published.

Q Dave Meltzer in July of 2007 compiled the list of over 60 former pro wrestlers who had died before the age of 50, I believe. Were you familiar with Mr. Meltzer's list?

A Yes.

Q Keith Pinkert of the Southwestern Medical Center has estimated that your wrestlers have seven times the risk of dying earlier compared to other athletes. Are you familiar -- have you seen Dr. Pinkert's estimates?

A His I don't recognize.

Q And in his book Wrestling Babylon, a writer by the name of Irv Muchnick published a list of 89 former professional wrestlers who had died early. Are you familiar with this list?

A Yes.

Q What was your response to this, to these findings?

Mr. McDevitt. Findings?

Mr. Cohen. These publications.

Mr. McDevitt. That is a big difference.

BY MR. COHEN:

Q What was your response to these publications?

A First of all, most of the names I didn't even recognize. We didn't recognize them at all. Some of them were international stars, you know, et cetera.

As we started really combing through the list, we found that there were very few of them that had ever been under contract to WWE. And, you know, the wrestlers died, but one died of Crohn's Disease, an automobile accident. Owen Hart was one of the ones. A lot of legitimate medical reasons or accidents that had happened to occur to a lot of these talent.

Most of the ones we don't know or were not under contract to us. Any death, one death is too many, and so you don't want to have a cavalier approach to anything. But we didn't feel a responsibility for those talent who had died because we had nothing to do with what had occurred with them, whatever lifestyle they had chosen or how -- you know, what had caused their death.

But I can tell you that in our work over the last few months and few years, is there any way to maybe help prevent any of this going forward? We can't help what has happened



in the past. We can't help people who didn't change their lifestyle or for whatever reason they died. But we did reach out and send over 500 letters to our former talent asking -- and it was a letter from Vince who said there have been too many deaths in this industry. If any of you have any kind of an issue and you need medical treatment, rehab, for any kind of drug-related instance, please get in touch with us, regardless of how you left WWE, under what terms or conditions, and we will pay in total for your rehab. And we sent out a subsequent letter to that.

So if there is some way we could reach out and be helpful, we want to do that. So it is like we want to, if we can, be helpful in that regard.

We have also sent a letter to our current talent to say if you know of anybody, if you want to report them anonymous, for prior talent or talent that are currently with us that you have any suspicion about, please do that because it is absolutely -- again, I keep reiterating, it is our goal to help people be healthy. We don't want -- you know, we don't want people to be unhealthy. And, God bless, we certainly don't want people to die.

Mr. McDevitt. Do you have a copy of that letter?

Mr. Cohen. I have seen it, but you should probably give it to us. Thanks.

BY MR. COHEN:

Q Has WWE conducted any other studies?

A Just to follow up on that, if I may, we currently have two people in rehab as a result of this letter, one of them a very old-time fellow.

Mr. McDevitt. Don't --

Ms. McMahon. I am not -- I am not going to give any names. And then we had three or four other talent who actually came in, started rehab and walked out. So it is like you can't help those who don't want to help themselves.

Mr. Leviss. Do you want this letter to be part of the record? We can make it an exhibit.

Mr. McDevitt. I provided it to you to have. That is fine.

BY MR. COHEN:

Q You have reached out. You described your action reaching out to wrestlers. Have you conducted any studies or any investigations -- have you reached out to the forensic community at all to try to probe any of this in more detail?

Mr. McDevitt. Can I put the caveat on the question exclusive of what your counsel may be doing? Again, I mean, there is privileges and work product and stuff like that independent of what your counsel may be doing.

Mr. Cohen. I will defer to Dave on that.

Mr. Leviss. When you say "counsel", are you speaking

outside counsel?

Mr. McDevitt. Me, yes.

Mr. Leviss. Why don't you answer that for now?

Mr. McDevitt. Pardon me?

Mr. Leviss. Why don't you answer that for now?

Mr. McDevitt. Answer what?

Mr. Leviss. I mean, based on your modification of the question.

Mr. McDevitt. In other words, independent of whatever your counsel, WWE's counsel may be doing, has the company done anything?

Ms. McMahon. Not to my knowledge.

Mr. Cohen. Do you have any questions?

BY MR. COHEN :

Q Last set of questions. These are basic factual questions on WWE's revenue and sources of revenue.

What is WWE's total annual revenue? Your fiscal year '07 data isn't available yet?

A Well, through third quarter. I think at the end of the third quarter we were about \$406 million total revenue.

Q For the year or for the quarter?

A No, the end of the third quarter year to date. And we are on a calendar year, so that would have been at the end of October.

Q And your profits?

A End of October -- as of October.

Q And your profits?

A Profits are about \$150 some million, gross profit.

Ms. Despres. That is the same, year to date?

Ms. McMahon. Yes.

BY MR. COHEN :

Q Can you just walk us through again -- you can do this relatively briefly -- the breakdown of your sources of revenue: television, live gate, pay-per-view, video? Break it into categories for us.

Mr. O'Neil. It is all in the quarterly reports. Why don't we just give those to you?

Mr. Cohen. That sounds fair.

BY MR. COHEN:

Q What -- would you describe your main demographic for your audience?

A We really reach across all age groups, economic levels, et cetera. I think if you looked at young men probably 14 to 34, 35, that is a real sweet spot for us. But, again, we are -- I think 65 percent of our audience are 18 and over.

Q I am sorry, how much?

A Roughly 65 percent, I think.

Q Do you know what percent of your audience is under the age of 13?

A Under the age of 13? I don't know that off the top of my head.

Q Could you possibly get back with us if you have the information somewhere?

A Sure.

Q Who are your major advertisers at WWE events?

A At WWE events?

Q Yes.

A We don't have advertisers at our events.

Q Well --

A And let me explain that. It is because the arenas themselves sell the advertising that is around the banners and all of that, so we don't. And we don't sell advertising within our television show. However, we do have particular sponsors that are allowed to be part of that. And we have a heavy video game component to our advertisers.

You know, again, I can get back to you with that list.

Q In addition to getting us the ratings for the under 13 demographic, can you get us the ratings for 13-to-18-year-old males as well?

A In what time frame are you talking about? Last week?

Q I am happy with -- can we go back to the beginning of the year?

A Beginning of this year?

Q Yes.

A So you want them for year to date?

Q Yes.

A That is a big project. How about the last 30? I mean, if that is what you want, that is fine.

Q Why don't we start with the last 30 days. If we need to come back for more, we can always talk.

A Okay.

Q And you will also get us a list of your primary sponsors?

A Sure.

Q Can you give us a sense of the average salary range for your wrestlers?

Mr. McDevitt. What does the list of the primary sponsors have to do with the wellness program?

Mr. Cohen. It gives us insight into the demographic that WWE serves.

Mr. McDevitt. If you want the Nielsen ratings, you can get that.

Mr. Cohen. The sponsors provide us initial insight there.

Mr. McDevitt. I mean, I don't really see what it has to do with the wellness program. Nothing. I can't fathom what that has to do with the wellness program. It is sort of scary when you start asking for sponsors.

Ms. Despres. Why is it scary?

Mr. McDevitt. What use are you going to make of that?

Mr. Cohen. This isn't top secret information. Anyone can watch and find out who is sponsoring you, right?

Mr. McDevitt. What use would you make of that? How is it pertinent to your investigation?

Mr. Cohen. One of the aspects of our investigation, Jerry, is what WWE does affects more than the small group of wrestlers within WWE. It affects society as a whole because it has a large audience. So, in that respect, we have an interest in who your demographic is and who your sponsors are, who is being affected by WWE's actions.

Mr. McDevitt. But I still don't understand how knowing who our sponsors are -- are you claiming they are affected by our actions, the sponsors are?

Mr. Cohen. Yes.

Mr. McDevitt. If they know our product, then they apparently choose to sponsor us, so how are they affected? Again, I don't see what it has to do with this wellness program.

Mr. Cohen. This is information we believe is relevant to the investigation.

Mr. McDevitt. Quite honestly, Brian, I think you guys think just about anything is relevant to the investigation. Maybe it may be, but it is hard to articulate how sponsors

are relevant to the question of whether we have a decent wellness program or drug testing program or not, which, as I understand it, is the root of what you are supposedly investigating.

Anyway, let us not hold up Mrs. McMahon with the debate. Do you want to finish your questions?

Mr. Cohen. So you will give us that information?

Mr. McDevitt. We will take it under advisement.

BY MR. COHEN:

Q Give us a sense of the average salary for a WWE wrestler and the range of salaries among your wrestlers.

A It can go anywhere from I believe around \$50,000 for a beginning or a developmental talent up to -- I think the largest guarantee that we make is \$1 million.

Q I am sorry?

A \$1 million, the largest guarantee. Now, that doesn't mean that is all they can earn. They are independent contractors. They participate in royalties on the products that bear their image and likeness, so they can make upwards of several millions of dollars.

Q And how many wrestlers does WWE currently have under contract?

A I think about 175, between 175 and 180. And that includes talent that is in our developmental territories that we have under contract, et cetera.



Mr. Cohen. That is all I have got. Anything else?

Mr. Chance. No.

Ms. Safavian. We are good. Thank you.

[Whereupon, at 2:10 p.m., the interview was concluded.]

## Certificate of Deponent/Interviewee

I have read the foregoing \_\_\_\_ pages, which contain the correct transcript of the answers made by me to the questions therein recorded.

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Witness Name