

Winklevoss Twins Face Suit Over Failed Alliance

By Sophia Pearson - May 13, 2011

Cameron and Tyler Winklevoss, the twins challenging a \$65 million settlement with Facebook Inc., must face a lawsuit filed by a [Boston](#) businessman over a failed partnership, a judge ruled.

The businessman, Wayne Chang, claims in a lawsuit filed in December 2009 that a former partnership with the Winklevosses' ConnectU project entitles him to part of the Facebook settlement.

Superior Court Judge [Peter Lauriat](#) in Boston on April 28 denied the Winklevoss twins' motion to dismiss the case, ruling that Chang's prior relationship with the twins gives him standing to seek a share of the settlement proceeds in proportion to his ownership interest in ConnectU as determined by a fact-finder.

"We're pleased with the court's ruling," Alan Rose Jr., an attorney for Chang, said today in a phone interview. "The value of Mr. Chang's claims are completely intact, and that's what we care most about."

Chang is seeking half of any settlement proceeds with Facebook, Rose said.

[Erin E. Howard](#), an attorney for the Winklevosses, didn't immediately return a phone call today seeking comment.

The Winklevosses sued Facebook founder [Mark Zuckerberg](#) in 2004 claiming he stole the idea for the social network and delayed their ConnectU project while they were all Harvard University students.

Accord Upheld

A federal appeals court in [San Francisco](#) on April 11 upheld the Winklevosses' \$65 million settlement with Facebook in 2008, rejecting their claim that it should be thrown out because Facebook misled them about the company's value at the time.

Chang claims in the lawsuit that he was deprived of the opportunity to participate in the settlement agreement at the time.

The Winklevosses contacted Chang in October 2004 seeking to form a partnership with his I2hub Organization, a file-sharing program popular among college students, according to court papers. Chang and the Winklevosses agreed to form a holding company called Winklevoss Chang Group through which they would co-own and operate both projects.

The deal entitled Chang to 50 percent ownership of WCG and the option to exercise a 15 percent stake in ConnectU, according to his complaint.

Chang's relationship with the Winklevosses deteriorated in April 2005 over the twins' claims that a \$7,500 payment to WCG entitled them to an additional 5 percent of the company. The Winklevosses informed Chang they were terminating the relationship, effectively dissolving the company, according to court papers.

"Chang alleges that he has received nothing in return for the substantial benefits he provided to ConnectU, including the value of his work, as well as I2hub's users and goodwill," Lauriat said in his ruling.

The case is Chang v. Winklevoss, SUCV2009-05397, Massachusetts Superior Court, Suffolk County (Boston).

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