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APPLE INC.

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

J.T. COLBY & COMPANY, INC. d/b/a BRICK
TOWER PRESS, J. BOYLSTON & COMPANY,
PUBLISHERS LLC and IPICTUREBOOKS LLC,

Plaintiffs,

- against -

APPLE, INC.,

Defendant.

Case No. 11-CIV-4060 (DLC)

ECF Case

REDACTED

**DECLARATION OF MARY MAZZELLO IN SUPPORT OF
DEFENDANT’S MOTION TO EXCLUDE THE EXPERT REPORT AND TESTIMONY
OF DR. SUSAN SCHWARTZ McDONALD**

I, Mary Mazzello, declare as follows:

1. I am an associate at the law firm of Kirkland & Ellis LLP. I am duly licensed in the State of New York. I submit this declaration in support of Defendant's Motion to Exclude the Expert Testimony of Dr. Susan Schwartz McDonald.

Plaintiffs' Use of the Imprint iBooks, with a Lowercase I and Capital B

2. As detailed in the Declaration of Bonnie L. Jarrett in Support of Defendant's Motion for Summary Judgment (*see* Jarrett Dec. ¶¶ 173-190) and based on my review of certain books published under the "ibooks" imprint, as well as exhibits to the report of Plaintiffs' expert, Dr. Jacob Jacoby, Plaintiffs began using the formulation "iBooks" in November 2010, after Apple adopted its iBooks mark. A spreadsheet listing print books either produced by Plaintiffs in this case or obtained by Apple in connection with this litigation, describing the title, printing date and depiction of the alleged "ibooks" mark, is attached hereto as Exhibit 1.

Plaintiffs' Sales

3. On July 16, 2012, Plaintiffs produced Exhibit A to Plaintiffs' Responses and Objections to Defendant Apple Inc.'s Second Set of Interrogatories, a spreadsheet showing print book sales, in units and dollars, for "ibooks" and "ipicturebooks" books from 1999 through May, 2012. (*See* Ex. 15, Colby 30(b)(6) Dep. 181:6-10.) Annexed hereto as Exhibit 2 is a true and correct copy of a spreadsheet, which was marked as Exhibit 13 to the 30(b)(6) Deposition of John T. Colby dated July 18, 2012, summarizing the sales per year for print books.

4. On July 16, 2012, Plaintiffs produced Exhibit B to Plaintiffs' Responses and Objections to Defendant Apple Inc.'s Second Set of Interrogatories, a spreadsheet showing electronic book sales, in units and dollars, for "ibooks" and "ipicturebooks" books from 1999 through May, 2012. (*See* Ex. 15, Colby 30(b)(6) Dep. 178:23-179:7.) Annexed hereto as Exhibit 3 is a true and correct copy of a spreadsheet, which was marked as Exhibit 14 to the

30(b)(6) Deposition of John T. Colby dated July 18, 2012, summarizing the sales per year for electronic books.

5. According to Exhibit 2, sales for print books from “ibooks” and “ipicturebooks” from 1999 through May, 2012 were [REDACTED].

6. According to Exhibit 3, sales for electronic books from “ibooks” and “ipicturebooks” from 1999 through May, 2012 were [REDACTED].

7. The total sales for electronic books include sales of [REDACTED] for a Shrek coloring book that was sold on CD-ROM under the “ipicturebooks” imprint in 2001 and is not longer available. *See* Ex. 15, Colby 30(b)(6) Dep. 184:11-186:8.

8. Thus, according to Exhibit 2 and 3, [REDACTED] of Plaintiffs’ sales for books sold under the “ibooks” and “ipicturebooks” imprints have been for print books. [REDACTED] of Plaintiffs’ sales for books sold under the “ibooks” and “ipicturebooks” imprints have been for electronic books.

9. According to an email sent by counsel for Plaintiffs on August 20, 2012, which is attached as Exhibit 4, the spreadsheets attached as Exhibits 2 and 3 inadvertently omitted sales of “I, Robot Special Sale.” As this book was a print book, however, including this book in the calculation would only tilt sales more heavily toward print books.

Plaintiffs’ Use of the Imprint ipicturebooks

10. Plaintiffs sell electronic books bearing the “ipicturebooks” imprint. Some of these electronic books bear the “ibooks” imprint when sold in print format.

11. For example, *The Raven Deception* is published under the imprint “ibooks” in print format, but under the name “ipicturebooks” in digital format. Annexed hereto as Exhibit 5

is a true and correct copy of the copyright and title page of *The Raven Deception* in print format and in Kindle format.

12. *Black Unicorn* is published under the imprint “ibooks” in print format, but under the name “ipicturebooks.com” in Kindle format. Annexed hereto as Exhibit 6 is a true and correct copy of the copyright and title page of *Black Unicorn* in print format and in Kindle format.

13. *Kong Reborn* is published under the imprint “ibooks” in print format, but under the name “ipicturebooks” in Kindle format. Annexed hereto as Exhibit 7 is a true and correct copy of the copyright and title page of *Kong Reborn* in print format and in Kindle format.

14. *Roger Zelazney’s The Dawn of Amber* is sold under the imprint “iBooks” in print format, but the name “iPicturebooks” appears within the digital version of the book. Annexed hereto as Exhibit 8 is a true and correct copy of the copyright and title page of *Roger Zelazney’s The Dawn of Amber* in print format and in electronic book format.

Calculation of the Confusion Rate in the Sur-Rebuttal Survey

15. Applying Dr. Nowlis’ methodology for calculating the confusion rate, I recalculated the confusion rate in Dr. McDonald’s Sur-Rebuttal Survey.

16. According to Dr. McDonald’s coding, 139 of 294 respondents who named Apple or iTunes did so because of the presence of the letter “i” and no other reason. Under Dr. Nowlis’ methodology, these people should not be counted as confused. *See* Ex. 19, Nowlis Rebuttal ¶ 64.

17. Based on my review of the verbatim to the Dr. McDonald’s Sur-Rebuttal Survey, an additional 7 respondents did not give a reason for naming Apple. Under Dr. Nowlis’ methodology, these respondents also should not be counted as confused. *See* Ex. 19, Nowlis Rebuttal ¶ 65.

18. Once these respondents are removed from the confusion calculation, the number of confused respondents drops to 17 people, or 5.8%. After subtracting the control confusion rate of 2%, the resulting confusion rate is 3.8%.

Expert Reports

19. Annexed hereto as Exhibit 9 is a true and correct copy of the Expert Report of Dr. Susan Schwartz McDonald dated September 17, 2012.

20. Annexed hereto as Exhibit 10 is a true and correct copy of the Sur-Rebuttal Report of Dr. Susan Schwartz McDonald dated December 6, 2012.

21. Annexed hereto as Exhibit 11 is a true and correct copy of the Expert Report of Dr. Stephen M. Nowlis dated October 26, 2012.

Deposition Transcripts

22. Annexed hereto as Exhibit 12 is a true and correct copy of excerpts from the Deposition of Dr. Jacob Jacoby dated December 6, 2012.

23. Annexed hereto as Exhibit 13 is a true and correct copy of excerpts from the Deposition of Dr. Susan Schwartz McDonald dated December 12, 2012.

24. Annexed hereto as Exhibit 14 is a true and correct copy of excerpts from the Deposition of John T. Colby dated July 20, 2012.

25. Annexed hereto as Exhibit 15 is a true and correct copy of excerpts from the 30(b)(6) Deposition of John T. Colby dated July 18, 2012.

26. Annexed hereto as Exhibit 16 is a true and correct copy of excerpts from the deposition of Dr. Stephen M. Nowlis dated December 14, 2012.

Documents

27. Annexed hereto as Exhibit 17 is a true and correct copy of the Specimen of Use depicting Apple's iBooks logo, APPLE-IBOOKS0000071.

28. Annexed hereto as Exhibit 18 is a true and correct copy of an August 18, 1999 press release from Byron Preiss regarding "iBooks" and marked as Exhibit 18 to the 30(b)(6) Deposition of John T. Colby dated July 18, 2012.

29. Annexed hereto as Exhibit 19 is a true and correct copy of a January 29, 2010 email sent by John T. Colby to Steve Dowling, APPLE-IBOOKS0022163.

30. Annexed hereto as Exhibit 20 is a true and correct copy of the screenshot of Dr. McDonald's initial survey.

31. Annexed hereto as Exhibit 21 is a true and correct copy of the screenshot of Dr. McDonald's Sur-Rebuttal survey.

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

Executed this 21st day of December, 2012 in New York, NY.


Mary Mazzello