

EXHIBIT J

Not Reported in F.Supp.2d, 2008 WL 6153736 (S.D.Fla.), 89 U.S.P.Q.2d 2001
(Cite as: 2008 WL 6153736 (S.D.Fla.))

H

United States District Court,
S.D. Florida.
PERFECT WEB TECHNOLOGIES, INC., Plaintiff,
v.
INFOUSA, INC., Defendant.
No. 07-80286-CIV.

Oct. 27, 2008.

West KeySummary
Patents 291  16.29

[291](#) Patents

[291II](#) Patentability

[291III\(A\)](#) Invention; Obviousness

[291k16.29](#) k. Electricity, Electronics and Radio. [Most Cited Cases](#)

Patent for method of bulk e-mail distribution was invalid as obvious. Patent holder acknowledged that the first three steps of his four-step method were described and taught prior to filing of his patent application. The final step, repetition of the first three steps when an initial attempt to deliver a prescribed quantity of e-mail to targeted recipients failed, would have been common sense to virtually anyone of ordinary skill in the art of bulk e-mail distribution at the time when patent holder's application was filed, so absent secondary conditions present to defeat alleged patent infringer's claim of obviousness, patent was invalid as obvious.

[John C. Carey](#), [Robert Hout Thornburg](#), Carey Rodriguez Greenberg & Paul LLP, Miami, FL, [Richard James Mockler, III](#), Richard J. Mockler, P.A., Tampa, FL, for Plaintiff.

[John Michael Burman](#), [Bernard Andrew Lebedeker](#), [Michael James Pike](#), Burman Critton Luttier & Coleman, West Palm Beach, FL, [Daniel G. Bird](#), [Derek T. Ho](#), [John Christopher Rozendaal](#), [Kenneth M. Fetterman](#), [Mark C. Hansen](#), [Richard H. Stern](#), [Wan J. Kim](#), Kellogg Huber Hansen Todd Evans & Figel PLLC, Washington, DC, for Defendant.

ORDER GRANTING DEFENDANT'S MOTION

FOR SUMMARY JUDGMENT BASED ON INVALIDITY

[KENNETH L. RYSKAMP](#), District Judge.

*1 THIS CAUSE comes before the Court pursuant to Defendant's Motion for Summary Judgment Based on Invalidity of the Patent at Issue, filed March 21, 2008 [DE 90]. Plaintiff responded on June 19, 2008 [DE 120]. Defendant replied on July 9, 2008 [DE 140]. Plaintiff filed a Sur-Reply on July 16, 2008 [DE 151]. The Court heard oral argument on the motion on July 18, 2008. This motion is ripe for adjudication.^{FN1}

^{FN1}. The Court has elected to resolve Defendant's summary judgment motion on invalidity without turning to the pending claim construction issues. Defendant's summary judgment motion is based on Plaintiff's interpretation of the Patent. The Court assumes that Plaintiff's claim constructions are correct in resolving the Motion for Summary Judgment on grounds of invalidity. The parties' respective claim constructions as to Claims 1, 5, 11 and 15 are a matter of record and can be found in the Joint Claim Chart filed on March 3, 2008 [DE 77].

Defendant has also requested leave to file a second Motion for Summary Judgment on grounds of non-infringement. The Court declines to address this motion on because it is granting summary judgment on the basis of invalidity.

I. BACKGROUND

Plaintiff is the owner of United States Patent [6,631,400](#) ("Patent"), entitled "Method for Managing Bulk E-Mail Distribution." The Patent issued from an application filed with the United States Patent and Trademark Office ("PTO") on April 13, 2000. The PTO issued the Patent on October 7, 2003.

The Patent is described as follows:

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A method for managing bulk e-mail distribution can include the steps of matching a target recipient profile with a group of target recipients; transmitting a set of bulk e-mails to the target recipients in the matched group; and, calculating a quantity of e-mail and the set of bulk e-mail which have been successfully received by the target recipients. If the calculated quantity does not exceed a prescribed minimum quantity of successfully received e-mails, the matching, transmitting and calculating steps can be repeated until the calculated quantity exceeds the prescribed minimum quantity.

(Compl., Ex. A, Abstract.) Plaintiff characterizes Claim 1 of the Patent as a four-step process that involves deciding whom to send e-mails by matching a profile with a group of recipients, transmitting e-mails to the recipients, calculating the number of e-mails received, and repeating the steps until a minimum number of e-mails has been received. Also at issue are Claims 2, 5, 11, 12 and 15 of Patent. Claim 11 describes “machine readable storage” for automatically performing the four steps of Claim 1. Claim 2 involves sending e-mails to a subset of a group of target recipients. Claim 12 describes the same “machine-readable storage” as does Claim 11, but the transmitting step requires selecting a subset of target recipients from the group of target recipients and transmitting the e-mails to said subset. Claims 5 and 15 apply the methods of Claims 1 and 11 to a subset of e-mail recipients, an “opt in list.”

Plaintiff claims that Defendant is willfully infringing the Patent and requests injunctive relief and damages. Plaintiff also requests that this Court find this case exceptional within the meaning of [35 U.S.C. § 285](#) and award reasonable attorneys' fees. Plaintiff also requests costs, disbursements, pre and post judgment interest, and such other further relief as the Court deems just and proper. Defendant has moved for summary judgment on the grounds that the claims of the Patent are invalid as obvious, invalid as anticipated, and invalid as non-statutory subject matter.

II. LEGAL STANDARD

Summary judgment is appropriate “if the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law.” [Fed.R.Civ.P. 56\(c\)](#). The party moving for summary judgment “always bears the initial responsibility of informing the district court of the basis for its motion, and identifying those portions of ‘the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any,’ which it believes demonstrate the absence of a genuine issue of material fact.” [Celotex Corp. v. Catrett](#), 477 U.S. 317, 323, 106 S.Ct. 2548, 2553, 91 L.Ed.2d 265 (1986) (quoting [Fed.R.Civ.P. 56\(c\)](#)). An issue is “material” if it is a legal element of the claim under applicable substantive law that may affect the resolution of the action. See [Anderson v. Liberty Lobby](#), 477 U.S. 242, 248, 106 S.Ct. 2505, 2510, 91 L.Ed.2d 202 (1986). An issue is “genuine” if the record, taken as a whole, could lead a rational trier of fact to find for the non-moving party. See *id.* The movant may meet this standard by presenting evidence demonstrating the absence of a dispute of material fact or by showing that the nonmoving party has not presented evidence in support of an element of its case on which it bears the burden of proof. [Celotex](#), 477 U.S. at 322-23, 106 S.Ct. at 2552-53. The moving party need not supply “affidavits or other similar materials negating the opponent's claim.” *Id.*

*2 Once the moving party meets its burden, the non-moving party must “go beyond the pleadings and by her own affidavits, or by the ‘depositions, answers to interrogatories, and admissions on file,’ designate ‘specific facts showing that there is a genuine issue for trial.’” *Id.* at 324, 106 S.Ct. at 25 going to 53 (quoting [Fed .R.Civ.P. 56\(e\)](#)). Although the non-movant need not present evidence that would be admissible at trial, it may not rest on his pleadings. *Id.* “[T]he plain language of [rule 56\(c\)](#) mandates the entry of summary judgment, after adequate time for discovery and upon motion, against a party who fails to make a showing sufficient to establish the existence of an element essential to that party's case, and on which that party will bear the burden of proof at trial.” *Id.* at 322; [106 S.Ct. at 2552](#). See also [Graham v. State Farm Mut. Ins. Co.](#), 193 F.3d 1274, 1281-82 (11th Cir.1999).

“A patent shall be presumed valid.” [35 U.S.C. § 282](#). Accordingly, “[t]he burden of establishing invalidity of a patent or any claim thereof shall rest on the party asserting such invalidity.” *Id.* Invalidity must be shown by clear and convincing evidence. See [Robotic](#)

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[Vision Sys. v. View Eng'g, Inc.](#), 189 F.3d 1370, 1377 (Fed.Cir.1999) (citing [Monarch Knitting Mach. v. Sulzer Morat GmbH](#), 139 F.3d 877, 881 (Fed.Cir.1998)).

III. DISCUSSION

Defendant argues that the claims of the Patent are invalid as obvious, invalid as anticipated and invalid as non-statutory subject matter. The Court will address each argument individually.

A. Invalid as Obvious

[35 U.S.C. § 103\(a\)](#) defines obviousness:

A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented in the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains.

See also [In re Translogic Tech., Inc.](#), 504 F.3d 1249, 1258 (Fed.Cir.2007) (patent invalid when “the differences between the patented subject matter and the prior art would have been obvious at the time of invention to a person of ordinary skill in the art”). The Supreme Court recently held that the obviousness inquiry requires a “broad inquiry” and “an expansive and flexible approach.” [KSR Int'l Co. v. Teleflex Inc.](#), 550 U.S. 398, 127 S.Ct. 1727, 1739, 167 L.Ed.2d 705 (2007). As the Court stated,

[w]hen there is a design need or market pressure to solve a problem and there are a finite number of identified, predictable solutions, a person of ordinary skill has good reason to pursue the known options within his or her technical grasp. If this leads to the anticipated success, it is likely the product not of innovation but of ordinary skill and common sense. In that instance the fact that a combination was obvious to try it might show that it was obvious under [§ 103](#).

*3 *Id.* at 1742. “The ultimate judgment of obviousness is a legal determination[.]” *Id.* at 1745 (citing [Graham v. John Deere](#), 383 U.S. 1, 17, 86 S.Ct. 684, 15 L.Ed.2d 545 (1966)). The issue of obviousness

“turns on four factual determinations”: “the level of ordinary skill in the art,” “the scope and content of the prior art,” “the differences between the claimed invention and prior art,” and “objective indicia of nonobviousness.” [Merck & Co. v. Teva Pharms., USA, Inc.](#), 395 F.3d 1364, 1372-73 (Fed.Cir.2005) (citing [Graham v. John Deere](#), 383 U.S. at 17-18). These factors may be applied in any order. [KSR](#), 127 Sup.Ct. at 1734.

Plaintiff does not dispute the level of ordinary skill in the art: a person of ordinary skill in the art of e-mail marketing prior to April 13, 1999 would have had at least a high school diploma, one year of experience working in the industry, and proficiency with computers and e-mail programs. (Lawlor Declaration, 14; Brady Declaration, 16.)

The record shows that the prior art taught the first three steps of Claim 1 in a single reference. The Patent admits that the first two steps were known in the prior art:

Many bulk e-mailing services offer “opt-in” targeted e-mail. In an opt-in bulk e-mailing service, marketing material is bulk e-mailed to a list of recipients. Unlike ordinary bulk e-mail lists, however, the recipients in the opt-in bulk e-mail list pre-register their preferences to receive marketing material relating to selected topics. Thus, a recipient in an opt-in bulk e-mailing list having an interest in automobiles, but not snow skiing, would receive marketing material bulk e-mailed on the behalf of General Motors, Inc., but not Rossignol, Inc. Similarly, a recipient in an opt-in bulk e-mailing list having an interest in reading, but not bicycling, would receive marketing material bulk e-mailed on behalf of Barnes and Noble, Inc., but not Schwinn, Inc.

(Compl., Ex. A, Abstract.) See [Constant v. Advanced Micro-Devices, Inc.](#), 848 F.2d 1560, 1570 (Fed.Cir.1988) (“a statement in a patent that something is in the prior art is binding on the applicant and patentee for determinations of anticipation in obviousness.”). The Patent itself concedes that the matching and transmitting steps are described in the prior art.

The claim chart attached to the Brady Declaration reflects that a person of ordinary skill in the art at the

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time the application was filed knew about combining the matching, transmitting and calculating steps as part of a method for e-mail distribution, as evidenced by the EmailChannel, Flo Network ^{FN2} and DeliverE ^{FN3} references. (Brady Declaration, Ex. A.) Plaintiff's expert also admits that the prior art shows the first three steps of the Patent. When deposed, Plaintiff's expert reviewed Brady's claim chart as it related to companies DeliverE and the Flo Network and agreed that it contained references that taught the first three steps of the Patent. (Krishnamurthy Dep., 219-20.)

^{FN2}. *Media Synergy Introduces Flo Network, First End-to-End Direct E-Mail Solution Designed for Marketers*, Press Release Newswire (March 1, 1999).

^{FN3}. *MatchLogic Launches Opt-In E-Mail Marketing Service; DeliverE Service Matches Qualified Buyers With Marketers Through E-Mail Marketing Promotions*, Business Wire (April 6, 1998).

*4 Thus, both parties' experts have testified that there exist multiple prior art references that teach the first three steps of Claim 1 in a single reference. Defendant assumes for purposes of summary judgment that the difference between the claimed invention and the prior art is the presence of the final step.

The question then becomes whether e-mail marketers of ordinary skill would have repeated the first three steps to deliver a prescribed quantity of e-mail to targeted recipients. "The person of ordinary skill in the art is 'a hypothetical person who is presumed to be aware of all of the pertinent prior art.'" *Craig v. Foldfast, Inc.*, 504 F.Supp.2d 1313, 1318 (S.D.Fla.2007), *aff'd*, 267 Fed.Appx. 956 (Fed.Cir. Mar.4, 2008) (quotation omitted). This individual "is also a person of ordinary creativity" who uses "[c]ommon sense" and is "able to get the teachings of multiple patents together like pieces of the puzzle." *KSR*, 127 S.Ct. at 1742. "A person of ordinary skill is also a person of ordinary creativity, not an automaton." *Id.*

The fourth step of the Patent follows obviously from the prior art. The idea of repeating or "trying again" when an initial attempt fails would be obvious to virtually anyone. If 100 e-mail deliveries were ordered, and the first transmission delivered only 95,

common sense dictates that one should try again. One could do little else. See *Translogic*, 504 F.3d at 1260 ("[In *KSR*] the Supreme Court advised that 'common sense' would extend the use of customary knowledge in the obviousness equation."); *DyStar Textilfarben GmbH & Co. Deutschland KG v. C.H. Patrick Co.*, 464 F.3d 1356, 1367 (Fed.Cir.2006), *cert. denied*, 551 U.S. 1113, 127 S.Ct. 2937, 168 L.Ed.2d 262 (2007) ("requir[ing] consideration of common knowledge and common sense"), *quoted in KSR*, 127 S.Ct. at 1743. See also Brady Declaration, 44 ("If a marketer insisted on an absolute delivered quantity and the initial transmission fell short, there would have been no other recourse but to repeat the matching, transmitting and calculating steps."); Laylor Declaration, 30 ("On a partial-list order that didn't reach the quantity ordered there were 2 ways of proceeding: (1) the quantity delivered was reported and charged even though the mailer's total partial-list order had not been reached, or, (2) the selection, mailing and calculating process was repeated until the quantity delivered matched or exceeded the quantity ordered and then the job was complete."). Plaintiff's expert testified similarly at deposition:

Q: ... So my question is assuming that you come up short-

A: Right.

Q: -regardless of whether you oversend the first time around-

A: Right.

Q: -either you get more e-mail and try again or you quit?

A: Either you-right. Or-right. If you have-yeah.

(Krishnamurthy Dep., 229.) ^{FN4} When a person of ordinary skill does not, at first, succeed, he will surely try, try again.

^{FN4}. Krishnamurthy did state that a concept called "permission creep" could also constitute an alternative option (Krishnamurthy Dep., 224), but later admitted that the only real options facing an e-mail marker were to stop sending e-mails or send more e-mails to

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other addresses:

Q: So the basic two options that an e-mail marker has if he's come up short in a prescribed minimum quantity of e-mails to be successfully delivered-

A: Right.

Q: -is either not to send any more e-mails and to charge for what was sent or to find more e-mail address is somewhere to try to reach the prescribed minimum?

A: Yeah, you're right, but I'm pointing out that Number 2 is a big category....

(Krishnamurthy Dep., 226.)

*5 Plaintiff's expert nevertheless states in his rebuttal declaration that the Patent is not obvious, but his opinion in this regard is formed based on three patents existing at the relevant time, but disregards the fact that other, non-patented prior art references each showed the first three steps of the Patent. (Krishnamurthy Rebuttal Declaration, 55-57.) Given the state of the prior art, a naked assertion of non-obviousness by Plaintiff's expert is insufficient to defeat a Motion for Summary Judgment as to obviousness. *KSR* expressly instructs courts not to withhold summary judgment "when an expert provides a conclusory affidavit addressing the question of obviousness." 127 S.Ct. 1745. Rather, "the district court can and should take into account expert testimony," bearing in mind that "[t]he ultimate judgment of obviousness is a legal determination." *Id.*

Defendant also argues that no secondary conditions are present to defeat its claim of obviousness. Secondary considerations make no difference to the validity of a patent that is manifestly obvious. See *Anderson's-Black Rock, Inc. v. Pavement Salvage Co.*, 396 U.S. 57, 61, 90 S.Ct. 305, 24 L.Ed.2d 258 (1969) ("[Secondary considerations] without invention will not make patentability." (internal quotation marks omitted)); *Newell Companies, Inc. v. Kenney Mfg. Co.*, 864 F.2d 757, 758 (Fed.Cir.1988) (secondary considerations "must be considered, [but] they do not control the obviousness conclusion") (citing cases). The Court doubts the necessity of analyzing

secondary considerations giving the obviousness of the Patent, but will do so nonetheless.

Plaintiff cites to two secondary considerations, commercial success and long felt but unsolved need. With regard to commercial success, Plaintiff "must prove a nexus between a commercial success and the claimed invention." *KSR*, 298 F.Supp.2d at 595. Plaintiff has submitted expert testimony purporting to address Defendant's total gross revenue derived from e-mail marketing, but this evidence does not indicate that these revenues are at all related to the Patent at issue. See *id.*, at 596 ("Without knowing what amount, if any, of the 150,000 units allegedly sold incorporated an electronic throttle control protected by claim 4, it is impossible to gauge the commercial success of the invention. Furthermore, even if the Court was presented with enough evidence to find some or all of the unit sales to be of a pedal assembly protected by claim 4, the evidence would still amount to simple sales figure was no evidence of nexus."); *Cable Electric Products, Inc. v. Genmark, Inc.*, 770 F.2d 1015, 1027 (Fed.Cir.1985) (any commercial success relating to the patent at issue "must be shown to have in some way been due to the nature of the claimed invention, as opposed to other economic and commercial factors unrelated to the technical quality of the patented subject matter."); *overruled on other grounds, Midwest Indus., Inc. v. Karavan Trailers, Inc.*, 175 F.3d 1356 (Fed.Cir.1999). Plaintiff does not dispute that it has had no commercial success.

*6 As to "long felt and unsolved needs," Plaintiff points to a purported "long felt need" for an e-mail system insuring delivery without requiring the oversending of e-mails, but it presents no evidence of anyone feeling such need prior to the filing of the Patent application. Even if Plaintiff had identified a long felt need, Plaintiff does not attempt to show that the need was "unsolved." "The relevant secondary consideration is 'long-felt but unsolved need,' not long-felt need in isolation." *Monarch*, 139 F.3d at 884. Oversending was then, and remains today, an effective method of managing an e-mail marketing campaign. Indeed, Defendant still practices this method. Furthermore, the Brady Declaration indicates that the first three steps of the Patent were expressed as a single reference as early as April of 1998 (DeliverE) and March of 1999 (Flo Network). Plaintiffs expert agreed that each of these references taught the first three steps of the Patent.

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Plaintiff's remaining arguments against the Motion for Summary Judgment as to obviousness are unavailing. Plaintiff claims that Defendant must make "a detailed showing of exactly how one of ordinary skill would be motivated to combine [the prior art] to achieve the patented method." Yet *KSR* held that "[t]he obviousness analysis cannot be confined by formalistic conception of the words teaching, suggestion, and motivation." [127 S.Ct. at 1741, 1742-43](#). Plaintiff claims that summary judgment is inappropriate because none of the purported prior art references teach the final step. The Court has already addressed this issue, and Defendant has conceded, for purposes of summary judgment, that the prior art does not teach the final step. The Court has already established, however, that the first three steps of the Patent existed in the prior art and that the final step is merely the logical result of common sense application of the maxim "try, try again."

Plaintiff also attempts to discredit the testimony of Lawlor and Brady, both of whom worked in the e-mail marketing industry and personally recalled performing all of the steps of Claim 1 before the Patent application was filed. (Lawlor Declaration, 19-21; Brady Declaration, 2-13, 43.) Plaintiff also suggests that the Court should ignore Lawlor's opinions because Lawlor does not qualify as one of ordinary skill. The record shows, however, that Lawlor possessed more than a high school diploma and co-founded the EmailChannel in 1996, more than 10 years before the initiation of this action. More importantly, Plaintiff has not presented any expert analysis that actually contradicts Lawlor and Brady.

B. Invalid As Anticipated

Defendant also maintains that the claims of the Patent are invalid because they were anticipated by the EmailChannel. Under § 102(b) of the statute, a patent is invalid as "anticipated" if the claimed "invention was ... in public use or on sale in this country, more than one year prior to the date of the application." [35 U.S.C. § 102\(b\)](#). While working at the EmailChannel in 1997, Stare and Lawlor practiced the process that Plaintiff claims is covered by the Patent. The EmailChannel would pull from large databases of available e-mail addresses the potential customers the marketer wanted to reach according to specified criteria. The EmailChannel would then transmit large quantities of

the marketer's e-mail message to the targeted customers. The EmailChannel would calculate how many e-mails were delivered. If the marketer had ordered a specific quantity of e-mail and the initial transmission fell short, the EmailChannel would repeat the process of selecting addresses, transmitting a message and calculating the number of deliveries until satisfying the order. (Lawlor Declaration, 3, 19, 21; Stare Declaration, 2, 6, 7, 8, 10, 11.) The EmailChannel operated in 1997, and the patent was applied for on April 30, 2000, so the process was performed more than one year prior to the date of the Patent application.

*7 The EmailChannel actually sold and performed its services publicly in this country on behalf of clients. "Public use" means "any use of [the claimed] invention by a person other than the inventor who is under no limitation, restriction or obligation of secrecy to the inventor." [Petrolite Corp. v. Baker Hughes Inc., 96 F.3d 1423, 1425 \(Fed.Cir.1996\)](#) (alteration in original) (quotation omitted). See [Pfaff v. Wells Electronics, Inc., 525 U.S. 55, 67-68, 119 S.Ct. 304, 142 L.Ed.2d 261 \(1998\)](#) (requiring an anticipatory practice to be "reduce[ed] to practice" or described with "sufficient[] specific[ity] to enable a person skilled in the art to practice the invention"); [Invitrogen Corp. v. Biocrest Mfg., L.P., 424 F.3d 1374, 1380 \(Fed.Cir.2005\)](#) (requiring an anticipatory practice to be "accessible to the public" or "commercially exploited"). Plaintiff claims that the EmailChannel's method was not "in public use" because its source code and "internal methodologies" were not made public. Such is irrelevant, however. See [TradeCard, Inc. v. SI Corp., 509 F.Supp.2d 304, 333 \(S.D.N.Y.2007\)](#) (failure to disclose source code considered proprietary does not "support an argument that [the party] suppressed or concealed its invention"). The EmailChannel's source code in the internal business practices have no bearing on whether it publicly performed its method for managing e-mail distribution, and Plaintiff cites no case to the contrary. Plaintiff's reliance on [W.L. Gore & Associates, Inc. v. Garlock, Inc., 721 F.2d 1540, 1550 \(Fed.Cir.1983\)](#) is misplaced because there, the court found that if anything was "offered and sold," it was the product, "not whatever process was used in producing it." In the case of the EmailChannel, there is no product, but rather the public, commercial exploitation of the method claimed in the Patent.

Plaintiff also attacks the testimony of Lawlor and

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Stare as uncorroborated, unreliable and inconsistent. Plaintiff maintains that Defendant failed to satisfy the “corroboration rule,” which requires documentary corroboration of oral testimony for a party to prove invalidity by clear and convincing evidence. The Federal Circuit does not always require documentary corroboration of invalidating oral testimony and has repeatedly held patent claims invalid as anticipated based solely on the oral testimony of only one or two witnesses. See [Engate, Inc. v. Esq. Deposition Servs., LLC](#), 208 Fed. Appx. 946, 955 (Fed.Cir.2006) (“Ms. Sanchez’ testimony was corroborated by Judge Strand [a testifying witness about courtroom technology]. As a result, [the trial court] did err in not finding claim 6 of the ‘141 patent invalid as anticipated.”); [Eisenberg v. Alimed, Inc.](#), 2000 WL 1119743, at *4 (Fed.Cir. Aug.8, 2000) (affirming anticipation based on testimony of single witness); [Thomson, S.A. v. Quixote Corp.](#), 166 F.3d 1172, 1176 (Fed.Cir.1999) (“Although Thomson argues that the corroboration rule is justified here because both testifying witnesses or involved in business is not supplied goods and services to Quixote, this does not rise to the level of self-interest required to justify triggering application of the corroboration rule .”). As the court explained in *Thomson*:

*8 [C]orroboration is required only when a testifying inventor is asserting a claim of derivation or priority of his or her invention and is a named party, an employee of or assignor to a named party, or otherwise is in a position where he or she stands to directly and substantially gain by his or her invention being found to have priority over the patent claims at issue.

[166 F.3d at 1176](#); see [Eisenberg](#), 2000 WL 1119743, at *4 (finding “[t]he rule requiring corroboration is not applicable” because the testifying witness, whether or not a purported inventor, was a nonparty testifying about an unpatented invention”). The testimony of Lawlor and Stare corroborate each other with regard to the activities of the EmailChannel that anticipated the Patent. Stare had day-to-day responsibility for the Company’s e-mail marketing campaigns, her employment with the company was terminated, she is unbiased and uncompensated, and she did not review Lawlor’s deposition or declaration testimony. Although Lawlor was compensated, he gave consistent testimony in his declaration as to the company’s method for managing e-mail marketing campaigns.

Second, Plaintiff claims that the testimony of Lawlor and Stare is “unreliable.” Here, Stare corroborates testimony from a former employer who terminated her. The four step e-mail marketing process was a function of her daily routine for several years of her employment. (Stare Dep., 52-58, 65-68, 71-79.) Plaintiff has not identified a genuine contradiction in her testimony. There is no contradiction between Stare insuring the mails are delivered and not being the person actually transmitting them, nor between directing that e-mail addresses be selected and not being a person actually selecting them. The timing of when the e-mail is delivered is irrelevant. (Thornburg, Ex. B, 1-3.) The alleged inconsistencies in Lawlor’s testimony are likewise immaterial. (Thornburg, Ex. A, 5 (confusing “ ‘test’ marketing campaigns” with “test messages”); *id.* at 6 (identity of the “architect” of the EmailChannel’s system); *id.* at 6-7 (whether the EmailChannel hired outside programmers)).

Third, Plaintiff claims that the declaration of Lawrence Steffann “directly contradict[s]” the testimony of Stare and Lawlor. This witness stated that the EmailChannel did not have a system that performs each of the steps of the Patent. No one has ever claimed to have a system that performs each of the steps, however. Rather, both Stare and Lawlor have testified that the EmailChannel performed four steps of the Patent via a combination of both software and manual processes.

C. Invalid As Non-Statutory Subject Matter

Defendant also claims that the Patent is invalid because its subject matter is outside the scope of the statute. The patent must claim a “new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof.” [35 U.S.C. § 101](#). “Process” means “process, art or method, and includes a new use of a known process, machine, manufacture, composition of matter, or material.” [35 U.S.C. § 100\(b\)](#). Not every “process” is patentable. [Parker v. Flook](#), 437 U.S. 584, 589, 98 S.Ct. 2522, 57 L.Ed.2d 451 (1978). “[O]ne may not patent an idea.” [Gottschalk v. Benson](#), 49 U.S. 63, 71 (1972). Nor may one patent something, like the application of a “mathematical formula” or an algorithm, that would have the same “practical effect” as patenting an idea. *Id.* at 71-72. Thus, the statute does not

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allow patents to be issued for abstract ideas, mental processes, or algorithms like that purportedly covered by the Patent at issue here. *See id.* at 67, [In re Comiskey](#), 499 F.3d 1365, 1376 (Fed.Cir.2007).

*9 The Supreme Court and the Federal Circuit have “rejected the notion that mere recitation of a practical application of an abstract idea makes it patentable.” [Comiskey](#), 499 F.3d at 1377. *Comiskey* affirmed the non-patentability of an application claiming “the mental process of resolving a legal dispute between two parties by the decision of a human arbitrator.” *Id.* at 1379. *In re Schrader* affirmed the non-patentability of “a novel way of conducting auctions.” [22 F.3d 290, 291 \(Fed.Cir.1994\)](#). Plaintiffs have not patented the abstract idea of fulfilling a customer’s e-mail order by applying the concept “if at first you don’t succeed, try, try again,” in the context of e-mail marketing. “[I]f a claim is directed essentially to a method of calculating, using a mathematical formula, even if the solution is for a specific purpose, the claimed method is nonstatutory.” [Flook](#), 437 U.S. at 594-95 (quotation omitted). Here, the process of matching a profile to a group of target recipients is well known, as is the practice of sending e-mails via a computer and calculating which e-mails were successfully delivered. The only “invention” is simply a new method to do what was already known in the prior art. If the Patent claimed a method for managing bulk postal mail, it would be manifest that sending mail, calculating how many letters were received, and sending more letters is not patentable. Merely transferring that idea to a different medium, be it telephone calls or e-mails, does not render an abstract idea patentable. [Comiskey](#), 499 F.3d at 1378 (an unclaimed machine, even if present by implication, does not count toward conferring patentability); [In re Grams](#), 888 F.2d 835, 840 (Fed.Cir.1989) (“The specification does not bulge with disclosure on those tests” but “focuses on the algorithm itself, although it briefly refers to, without describing, the clinical tests that provide data,” including a “[computer] program” “(alteration in original)”; [In re Meyer](#), 688 F.2d 789, 796 n. 4 (C.C.P.A.1982) (“mere reference to apparatus does not render a claim statutory”); *Benson*, 409 U.S. at 64 (finding unpatentable under [section 101](#) “a method for converting binary-coded decimal (BCD) numbers into pure binary numerals ... in a general-purpose digital computer of any type.”).

The Patent is also unpatentable under a separate line

of cases holding that a mathematical algorithm or formula cannot be patented. *Benson* made clear that one may not patent an algorithm or an application that, “in practical effect would be a patent on the algorithm itself.” 49 U.S. at 71-72. The Federal Circuit has repeatedly rejected patent applications that amount to patenting in algorithm. *See Grams*, 888 F.2d at 837 (method claim comprising steps that “require[] the performance of clinical laboratory tests on an individual to obtain data for the parameters (e.g., sodium content),” with subsequent steps that “analyze that data to ascertain the existence and identity of an abnormality, and possible causes thereof,” which is “in essence a mathematical algorithm”); [Meyer](#), 688 F.2d at 790, 796 (rejecting claims to “a mathematical algorithm representing a mental process” for “testing a complex system and analyzing the results of these tests”). Here, Claim 1 is merely a series of algorithms. The first algorithm is matching profiles with data entries, the second is calculating how many e-mails have been received, and the third merely consists of repeating previous algorithms. [Id.](#), 688 F.2d at 796 n. 4 (“mere antecedent data gathering steps do not render the claim statutory; mere reference to apparatus does not render a claim statutory.” (citation omitted); [Grams](#), 888 F.2d at 839-40 (“gathering data for the algorithm” does not bestow patentability). “[E]ven simple summing may be an algorithm.” [Schrader](#), 22 F.3d at 293. Merely “reading out the results of calculations does not render the claim statutory.” [Meyer](#), 688 F.2d at 796 n. 4.

*10 Plaintiff accuses Defendant of “piecemeal analysis” that fails to consider the claim “as a whole.” Yet the Federal Circuit has held that a process that combines algorithms is no more patentable than any of the algorithms standing alone. *See In re Warmerdam*, 33 F.3d 1354, 1360 (Fed.Cir.1994) (“taking several abstract ideas and manipulating them together adds nothing to the basic equation”). Moreover, the process as a whole is the mere repetition of a three-step process known in the prior art. “[O]nce th[ese] algorithm[s] are] assumed to be within the prior art, the application, considered as a whole, contains no patentable invention .” [Flook](#), 437 U.S. at 594.

D. Claims 11, 5, 15, 2 and 12

Since Claim 1 of the Patent is invalid, Claim 11 is as well. This Claim refers to “machine-readable storage” that stores a computer program for performing

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the steps of Claim 1. Claim 11 is, thus, merely a restatement of method Claim 1 in other language. [Meyer, 688 F.2d at 795 n. 3](#). (“For purposes of [section 101](#), [apparatus] claims are not treated differently from method claims”). “The routine addition of modern electronics to an otherwise unpatentable invention typically creates a prima facie case of obviousness.” [Comiskey, 499 F.3d at 1380](#) (footnote omitted).

Claims 5 and 15 call for the use of an “opt-in list” in the method of Claims 1 and 11. Claim 5 is invalid as anticipated under [§ 102](#) because the EmailChannel used opt-in lists. Furthermore, Claim 5 is invalid as obvious because the use of opt-in lists is widely described in the prior art. *See* Compl., Ex. A, Abstract. Finally, Claim 15 is invalid as obvious because in light of the widespread use of opt-in lists in non-automated e-mail marketing campaigns, it would have been obvious to one skilled in the art of e-mail marketing to use and opt in list in the automated process of Claim 11.

Claims 2 and 12 is also invalid.^{FN5} Claim 2 consists of Claim 1, except that the transmitting step selects a subset of target recipients from the initial group of target recipients and transmits the e-mail to the subset group. The idea of transmitting e-mails to a subset of a group of target recipients is, again, merely a obvious variation of Claim 1. Furthermore, such a practice was anticipated by the EmailChannel and was known in the prior art. (Lawlor Declaration, 18-19.) Claim 12 is also invalid because, like Claim 11, it merely is a restatement of Claim 1 in other language and is therefore invalid. [Meyer, 688 F.2d at 795 n. 3](#); [Comiskey, 499 F.3d at 1380](#) (footnote omitted).

^{FN5}. Plaintiff asserted these claims only after Defendant filed its summary judgment motion, but before Plaintiff filed its opposition and sur-reply.

IV. CONCLUSION

THE COURT, being fully advised in having considered the pertinent portions of the record, hereby

ORDERS AND ADJUDGES that Defendant's Motion for Summary Judgment Based on Invalidity of the Patent at Issue, filed March 21, 2008 [**DE 90**], is GRANTED. Final judgment shall be entered by sepa-

rate order.

DONE AND ORDERED at Chambers in West Palm Beach, Florida this 24th day of October, 2008.

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