

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF RHODE ISLAND

_____)	
ALIFAX HOLDING SPA,)	
)	
Plaintiff,)	
)	
v.)	C.A. No. 14-440 WES
)	
ALCOR SCIENTIFIC INC.; and)	
FRANCESCO A. FRAPPA,)	
)	
Defendants.)	
_____)	

MEMORANDUM AND ORDER

WILLIAM E. SMITH, Chief Judge.

Before the Court are the parties' cross motions for summary judgment. Defendants Alcor Scientific Inc. and Francesco Frappa seek summary judgment on Counts I, II and IV of Plaintiff Alifax Holding SpA's Second Amended and Supplemental Complaint and Counts I and II of the Defendants' Amended Counterclaim (ECF Nos. 142, 143). Alifax moves for summary judgment on Count III of the Amended Counterclaim (ECF Nos. 159, 166). The Court has closely reviewed this action's voluminous and complex record. After careful consideration, and as set forth herein, the Defendants' Motion for Partial Summary Judgment is DENIED, and Plaintiff's Motion for Partial Summary Judgment is GRANTED.

I. Background

Alifax is an Italian corporation that develops and produces clinical diagnostic instruments.¹ Pl.'s Statement of Disputed Facts ("PSDF") ¶ 3, ECF No. 167; see also Second Am. & Suppl. Compl. ¶ 1, ECF No. 68. Among Alifax's products are instruments known as erythrocyte sedimentation rate ("ESR") analyzers. ESR measures how quickly red blood cells (erythrocytes) descend and sediment in a patient blood sample and is commonly considered to detect nonspecific inflammation. PSDF ¶¶ 13-14. Whereas the traditional way of calculating ESR – the Westergren method – requires one to two hours of testing, Alifax's instruments produce an ESR value in under one minute. See id.; Pl.'s Statement of Additional Disputed Facts ("PSADF") ¶ 1, ECF No. 176-2; Defs.' Resp. to Pl.'s Statement of Undisputed Facts ("DSDF") ¶ 20, ECF No. 170-4.

Alifax holds two patents pertaining to ESR measurement. PSDF ¶¶ 6, 10, 12. U.S. Patent No. 6,632,679 ("'679 Patent") protects a diagnostic method for quickly measuring a blood sample's ESR. See Second Am. & Suppl. Compl. Ex. A, ECF No. 68-1. U.S. Patent No. 7,005,107 ("'107 Patent") covers the apparatus designed to

¹ The Court presents the undisputed facts herein – as it must – in the light most favorable to the nonmovant. See, e.g., Theriault v. Genesis HealthCare LLC, 890 F.3d 342, 348 (1st Cir. 2018).

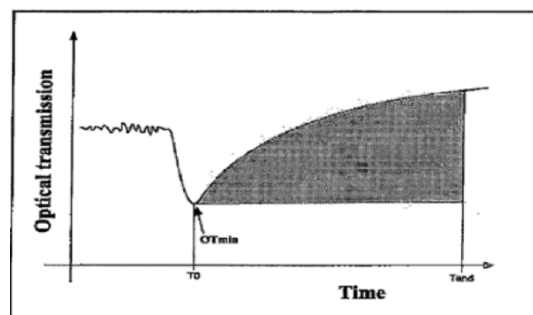
carry out the patented method. See id. at Ex. B. The Court issued its claim construction ruling concerning these patents in April 2014. See Alifax Holding SpA v. Alcor Sci. Inc. (Alifax I), No. CV 14-440 S, 2017 WL 1533430, at *1 (D.R.I. Apr. 27, 2017).

Defendant Francesco Frappa is another principal player. It is unnecessary to repeat Frappa's personal history with Alifax and its former subsidiary, Sire Analytical S.r.l., in detail here.² See Alifax Holding SpA v. Alcor Sci. Inc. (Alifax II), No. CV 14-440 WES, 2019 WL 317638, at *1-3 (D.R.I. Jan. 8, 2019). It is enough to understand that Sire employed Frappa for nearly a decade and that his duties included hardware and software development as well as work on Alifax's ESR analyzers, including the development of a plastic capillary photometer sensor. See id. at *1-2; DSDF ¶ 24; Galiano Aff. ¶ 13, ECF No. 162. Frappa departed Alifax in late 2011 and by May 2012 was working with Rhode Island-based competitor Alcor on that company's ESR instrument. Alifax II, 2019 WL 317638, at *2; see also PSDF ¶ 1. Before leaving, Frappa forwarded certain information concerning an "anemia factor" and myeloma from his Sire email account to a personal account. Alifax

² Over the course of this litigation Sire merged completely into Alifax. See Alifax II, 2019 WL 317638, at *1 n.3. Unless otherwise noted, the Court refers herein to both entities simply as "Alifax."

II, 2019 WL 317638, at *2; Defs.' Resp. to Pl.'s Statement of Additional Undisputed Facts ("DSADF") ¶¶168-70, ECF No. 171-6.

Within a year of Frappa's arrival, Alcor began promoting and producing its own ESR analyzer: the iSED. See Second Am. & Suppl. Compl. ¶ 43; Defs.' Ans. to Pl.'s Second & Suppl. Am. Compl. & First Am. Countercl. ("Ans.") ¶ 43, ECF No. 71. The iSED applies the principles of syllectrometry and – like Alifax's analyzers – produces an ESR value in just twenty seconds. See PSDF ¶¶ 37, 55; DSADF ¶ 147; Ans. ¶ 43. In layman's terms, the iSED detects changes in optical density as light passes through a blood sample. Blood is pumped through the device's light-measuring component, the flow is abruptly stopped, and red blood cells begin to aggregate. See PSDF ¶¶ 21, 57; DSADF ¶ 140. As aggregation occurs, the device processes the changing optical density data. See PSDF ¶¶ 21, 57; DSADF ¶ 140. The graphical depiction of this data (the transmittance of light over time) yields a characteristic shape known as a syllectogram:



See PSDF ¶¶ 21, 23, 57. Alcor describes the area under the syllectogram's curve (the diagram's shaded portion) as the sample's

"aggregation index." Id. ¶¶ 23, 57. The aggregation index can be correlated to reference values from traditional Westergren tests to determine a blood sample's ESR.³ Id. ¶ 57. It is undisputed that the iSED does not expressly measure, record, or report any measurement for the viscosity, elasticity, or density of blood. Id. ¶¶ 46-54.

Optical density measurements are converted to an ESR value by an algorithm contained in the iSED's software. See id. ¶ 128. Like most computer programs, this software evolved over time. Id. ¶¶ 127-130. It is undisputed, however, that at some early (but as-yet undefined) stage of development the iSED software's source code included in its conversion algorithm the same unusual numerical constants (2.2, 1000, -3 and ^1.9) used in the code for Alifax's ESR analyzers. See id. ¶¶ 124-25, 127; DSADF ¶ 167. This specific software iteration was labeled "Version 104A."⁴ See PSDF ¶ 127. Alcor contends that the edition of Version 104A containing the Alifax constants was a "pre-production version that never shipped in any functional iSED machine." Defs.' Mem. In Supp. of Mot. for Partial Summ. J. ("Defs.' Mem.") 25-26, ECF No. 142-1.

³ The iSED production units are specifically correlated to "the Fabry-corrected Westergren result." DSADF ¶ 146.

⁴ The parties refer to the disputed code as both "Version 104A" and "Version 1.04A." For consistency, the Court will use the former.

It is undisputed, however, that Alcor sold at least some iSED units to customers with software identified as "Version 104A" installed.⁵ See DSADF ¶¶ 175-177.

In the midst of this litigation, Alifax filed three copyright registration applications. See PSDF ¶¶ 111-114. These three applications matured into copyright registrations. See id. The copyrights cover source code and other materials, including its conversion algorithm and constants, that Alifax alleges it uses in its ESR analyzers. Second Am. & Suppl. Compl. ¶ 78.

II. Legal Standard

In the crucible of summary judgment, the Court must assay the parties' evidence "to ascertain whether a need for trial exists." Theriault, 890 F.3d at 348. A trial may be averted if a movant shows "there is no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law." Garcia-Garcia v. Costco Wholesale Corp., 878 F.3d 411, 417 (1st Cir. 2017) (quoting Ameen v. Amphenol Printed Circuits, Inc., 777, F.3d 63,

⁵ As further explained herein, the record shows that the Version 104A identifier may have been used for multiple early iterations of code, only one or some of which may have contained Alifax's purportedly proprietary constants. See, e.g., DSADF ¶¶ 175-182; Frappa Decl. ¶ 3, ECF No. 171-7; Defs.' Mem. 25-26. Even a cursory review of the docket for this action reveals that source code related discovery has been fraught. Such discovery has continued for months after the parties filed their dispositive motions. The Court's conclusions herein, however, are based solely on the record as it existed when the parties' filed their motions.

69 (1st Cir. 2015)) (quotation marks omitted); see also Fed. R. Civ. P. 56. A fact is "[m]aterial" if it "might affect the outcome of the suit under the governing law." Audette v. Town of Plymouth, 858 F.3d 13, 19–20 (1st Cir. 2017) (quoting Mulloy v. Acushnet Co., 460 F.3d 141, 145 (1st Cir. 2006)). A dispute is "genuine" if "there is evidence that would allow a reasonable jury to find for the non-moving party." Id. at 20. A court may consider the entire factual record in making these decisions. Fed. R. Civ. P. 56(c).

A nonmovant can withstand the scrutiny of summary judgment by producing "definite, competent evidence" of a genuinely disputed material fact of such probative force that, "if it is credited, a factfinder could resolve the case in favor of the nonmovant." Murray v. Kindred Nursing Ctrs. W. LLC, 789 F.3d 20, 25 (1st Cir. 2015) (quotation marks omitted). An examining court is obliged to construe the record "in the light most hospitable to the nonmoving party" and to draw "all reasonable inferences in that party's favor." Theriault, 890 F.3d at 348 (quotation marks omitted). A nonmovant cannot, however, rely on bald assertions, improbable inferences, or unsupported speculation to preserve its claims for trial. Garcia-Garcia, 878 F.3d at 417.

III. Discussion

A. Alcor's Motion for Summary Judgment

Alifax characterizes the Defendants' motion as a "blunderbuss." Pl.'s Mem. in Opp'n to Defs.' Mot. for Partial Summ. J. ("Pl.'s Opp'n") 1, ECF No. 167. The description is apt. The Defendants seek a favorable judgment on almost every claim in this action: patent infringement, invalidity, trade secret misappropriation, and copyright infringement. The Court considers these claims one by one.

1. Patent Infringement

Alifax alleges that the iSED infringes on claims 1-3, 6, and 8 of the '679 Patent and claims 1, 2, and 4-6 of the '107 Patent.⁶ See PSDF ¶¶ 4, 8; Pl.'s First Supp. Disclosure of Asserted Claims and Infringement Contentions 1, ECF No. 145-2. Infringement allegations require a two-part analysis. See Playtex Prods., Inc. v. Procter & Gamble Co., 400 F.3d 901, 905-06 (Fed. Cir. 2005). First, the Court must interpret the scope and meaning of the asserted patent claims. Id. The Court's claim construction ruling for this action is memorialized in Alifax I, 2017 WL 1533430, at *1 (D.R.I. Apr. 27, 2017). Second, the "properly construed claims" must be compared "to the allegedly infringing device." Playtex

⁶ Alifax no longer appears to contend that the iSED infringes on claim 9 of the '107 Patent. See PSDF ¶ 8.

Prods., 400 F.3d at 906. That is the task at hand. Alcor can only prevail on its motion if such a comparison shows that "on the correct claim construction, no reasonable jury could [find] infringement on the undisputed facts or when all reasonable factual inferences are drawn in favor of [Alifax]." Netword, LLC v. Centraal Corp., 242 F.3d 1347, 1353 (Fed. Cir. 2001).

At trial, Alifax has the burden of showing that the iSED meets each claim limitation of the '679 and '107 patents, either literally or under the doctrine of equivalents. Playtex Prod., 400 F.3d at 906 (Fed. Cir. 2005); Intellicall, Inc. v. Phonometrics, Inc., 952 F.2d 1384, 1389 (Fed. Cir. 1992) ("[I]nfringement requires that every limitation of a claim be met literally or by a substantial equivalent.") These are factual inquiries. DePuy Spine, Inc. v. Medtronic Sofamor Danek, Inc., 469 F.3d 1005, 1013 (Fed. Cir. 2006). And genuinely disputed factual issues are not appropriate for resolution on summary judgment. Thus, the Court is mindful of the Federal Circuit's admonition to take "great care" when weighing summary judgment on an infringement claim. Cole v. Kimberly-Clark Corp., 102 F.3d 524, 528 (Fed. Cir. 1996); see also D.M.I., Inc. v. Deere & Co., 755 F.2d 1570, 1573 (Fed. Cir. 1985) ("[A] motion for summary judgment of infringement or noninfringement should be approached with a care proportioned to the likelihood of its being inappropriate.").

Concerning the '679 Patent, the Court has construed the limitation from the asserted claims "processed to obtain said speed of sedimentation, viscosity, elasticity and density" to mean "processing the acquired optical density or absorbance data to obtain the speed of sedimentation, viscosity, elasticity and density." Alifax I, 2017 WL 1533430, at *5 (emphasis added). The Court has similarly construed the limitation "determine[ing] the speed of sedimentation, viscosity, elasticity and density" of the asserted claims in the '107 Patent to mean "processing the acquired optical density or absorbance data to obtain the speed of sedimentation, viscosity, elasticity and density, by comparing the data with numerical constants stored in the memory of a processing unit." Id. at 6 (emphasis added).

"Obtaining a parameter in the context of the patents-in-suit," Alcor argues, "means obtaining a numerical value for that parameter." Defs.' Reply in Supp. of Mot. for Summ. J. ("Defs.' Reply") 5, ECF No. 171-2. It is undisputed that the iSED does not measure, record, or report any measurement for the viscosity, elasticity, or density of blood. PSDF ¶¶ 46-54. Thus, Alcor reasons that the iSED does not "obtain" these parameters and does not infringe on either patent. Defs.' Mem. 11. There is a good measure of logical appeal in this argument. It depends, however, upon reading limitations into the claims that do not exist. None of the asserted claims, as construed by the Court, include the

limitation that the iSED measures, calculates, records, reports, or obtains a "numerical value" for the parameters of viscosity, elasticity, and density of blood. See Alifax I, 2017 WL 1533430, at *5-6. The Court's claim construction simply does not support Alcor's argument.

How then might the iSED "obtain" the viscosity, elasticity, and density of a blood sample? Alifax's expert, Dr. Brian Bergeron, provides an answer that is at least plausible, if oblique. He opines that the "correlated parameters" (viscosity, elasticity, and density) are a "function of data obtained from the [iSED's] optical density readings"; thus by processing optical density measurement data the iSED "obtains the correlated parameters." Expert Report of Brian Bergeron, M.D. ("Bergeron Report") ¶ 21, ECF No. 144-11; DSADF ¶¶ 140-142; see also Pl.'s Opp'n 4. He also purports to explain how these three parameters are functions of optical density data in his sworn report. Bergeron Report ¶ 21. The Court's observation that "the ['679 Patent's] specification informs that the viscosity, elasticity, and density of the blood sample are parameters that are considered correlated to the speed of sedimentation of the blood sample" accords with the substance of Dr. Bergeron's proposed conclusion. Alifax I, 2017 WL 1533430, at *5.

Alcor and its expert reject this rationale and criticize Dr. Bergeron's conclusions. See, e.g., Kyotmaa Decl. ¶¶ 9-12, ECF No.

171-5; Defs.' Reply 5. But Alcor has not moved to exclude Dr. Bergeron's opinions under Daubert v. Merrell Dow Pharmaceuticals, Inc., 509 U.S. 579 (1993), or its progeny. His sworn conclusions are supported by articulated facts and reasoning; the Court has no basis to find that he is unqualified to provide such opinions. See Hayes v. Douglas Dynamics, Inc., 8 F.3d 88, 92 (1st Cir. 1993) (holding that to defeat summary judgment an expert affidavit must "include the factual basis and the process of reasoning which makes the conclusion viable"); Garside v. Osco Drug, Inc., 895 F.2d 46, 50 (1st Cir. 1990) (holding "[e]xpert opinion is admissible and may defeat summary judgment" so long as "it appears that the affiant is competent to give an expert opinion." (emphasis omitted)). At this juncture Alifax is entitled to the benefit of all reasonable inferences. Theriault, 890 F.3d at 348. And it is the function of the finder of fact at trial, not the Court at summary judgment, to resolve such evidentiary conflicts. Anderson v. Liberty Lobby, Inc., 477 U.S. 242, 249 (1986); Scripps Clinic & Research Found. v. Genentech, Inc., 927 F.2d 1565, 1581 (Fed. Cir. 1991) (reversing summary judgment of infringement based on existence of disputed "questions of scientific and evidentiary fact"), overruled on other grounds by Abbott Labs. v. Sandoz, Inc., 566 F.3d 1282, 1293 (Fed. Cir. 2009). Consequently, the Court finds that summary judgment is precluded on the issue of non-infringement. See Fed. R. Civ. P. 56(a).

2. Patent Invalidity

Alcor also seeks summary judgement on Counts I and II of the Defendants' Counterclaim.⁷ Countercl. ¶¶ 39-42. It calls on the Court to declare the '679 and '107 patents invalid because their common specification fails to satisfy the written description and enablement requirements under 35 U.S.C. § 112.⁸ Defs.' Mem. 12. Both arguments fail for the same reason: these requirements are measured by an objective standard, and a material dispute exists concerning the knowledge, training, and experience of a "person of ordinary skill in the art."

Succeeding on a claim of invalidity under Rule 56 is an uphill battle. Schumer v. Lab. Computer Sys., Inc., 308 F.3d 1304, 1316 (Fed. Cir. 2002) ("The burden of proving invalidity on summary judgment is high."). Patents are presumed valid. 35 U.S.C. § 282. This presumption can only be overcome if a challenging party produces "such clear and convincing evidence . . . that no reasonable jury could find otherwise." Eli Lilly & Co. v. Barr Lab., Inc., 251 F.3d 955, 962 (Fed. Cir. 2001); see also High Concrete

⁷ As the Defendants correctly note, an invalid patent cannot be infringed, thus granting summary judgment on Counts I and II of its Counterclaim would be an alternative basis to grant summary judgment in its favor on Count I of Alifax's Second Amended and Supplemental Complaint. Defs.' Mem. 17.

⁸ Alcor moves only on these two grounds for the purposes of summary judgment and reserves the right to assert other bases for invalidity at trial.

Structures, Inc. v. New Enter. Stone & Lime Co., Inc., 377 F.3d 1379, 1382 (Fed. Cir. 2004). Again, "all justifiable inferences" must be drawn in favor of Alifax. See Schumer, 308 F.3d at 1315.

The written description and enablement requirements are two distinct prerequisites mandated by 35 U.S.C. § 112. See Ariad Pharm., Inc. v. Eli Lilly & Co., 598 F.3d 1336, 1340 (Fed. Cir. 2010). The written description requirement "is part of the quid pro quo of the patent grant and ensures that the public receives a meaningful disclosure in exchange for being excluded from practicing an invention for a period of time." Ariad Pharm., 598 F.3d at 1354. A description suffices if "the disclosure . . . reasonably conveys to those skilled in the art that the inventor had possession of the claimed subject matter as of the filing date." Id. at 1351. Answering this factual question "requires an objective inquiry . . . from the perspective of a person of ordinary skill in the art." Id. As for § 112's second requirement, a specification is "enabled" if "one skilled in the art, after reading the specification, could practice the claimed invention without undue experimentation." See AK Steel Corp. v. Sollac, 344 F.3d 1234, 1244 (Fed. Cir. 2003). Thus, with respect to both requirements, the patents must be scrutinized from an objective point of view – that is, from the perspective of a "person of ordinary skill in the art." See Ariad Pharm., 598 F.3d at 1354; Nat'l Recovery Techs., Inc. v. Magnetic Separation Sys., Inc., 166

F.3d 1190, 1196 (Fed. Cir. 1999) (“[W]ith respect to enablement the relevant inquiry lies in the relationship between the specification, the claims, and the knowledge of one of ordinary skill in the art.”); In re Vaeck, 947 F.2d 488, 496 n.23 (Fed. Cir. 1991) (“The first paragraph of § 112 requires nothing more than objective enablement.”).

This common denominator is Alcor’s stumbling block. Alcor’s expert, Dr. Harri Kytomaa, opines on one hand that a “person having ordinary skill in the art” would have “a bachelor’s degree [in] mechanical engineering or a related field” or no degree whatsoever but “at least five years of experience . . . in medical devices” Pl.’s Statement of Additional Undisputed Facts (“PSAUF”) Ex. U, Kytomaa Dep. at 42:11-43:9, ECF No. 167. Dr. Bergeron, on the other hand, opines that such a person would have:

a Ph.D. in a field related to medical diagnostic testing, or an M.D. and at least three years of training or experience developing or using medical diagnostic devices, or an M.S. in a field related to medical diagnostic testing and at least five years of training or experience developing or using medical diagnostic devices.

Id. at Ex. F, Bergeron Rebuttal Report ¶ 22. These differences are material. “[I]f there is conflicting evidence as to what one of ordinary skill in the art would have known,” a multitude of courts have found, “resolution of that conflict is not appropriate on a motion for summary judgment.” Scanner Techs. Corp. v. Icos

Vision Sys. Corp., N.V., 253 F. Supp. 2d 624, 633 (S.D.N.Y. 2003) (quotation marks omitted) (denying summary judgment on written description and enablement issues); see also Am. Tech. Ceramics Corp. v. Presidio Components, Inc., No. 14-CV-6544(KAM)(GRB), 2018 WL 1525686, at *15 (E.D.N.Y. Mar. 27, 2018) (finding conflict between expert opinions "alone creates a disputed issue of material fact as to the sufficiency of the written description because a reasonable finder of fact could conclude . . . that defendant cannot prove indefiniteness by clear and convincing evidence"); Intellectual Ventures I, LLC v. Canon Inc., 143 F. Supp. 3d 143, 178 (D. Del. 2015) ("The disagreement between the experts on whether one of ordinary skill could practice the invention without undue experimentation and whether the inventors had possession of the invention present genuine disputes of material fact better left to the province of the jury.").⁹

3. Trade Secret Misappropriation

Alifax alleges that the Defendants misappropriated three trade secrets in violation of R.I. Gen. Laws § 6-41-1 et seq., the Rhode Island Uniform Trade Secrets Act ("RIUTSA"): (1) the use of a plastic capillary photometer sensor ("CPS") in an automated ESR

⁹ Alifax argues that it is in fact entitled to summary judgment concerning the sufficiency of any written description. Pl.'s Opp'n 8. As Alcor observes, tucking this request into an opposition memorandum is improper. The Court will not entertain Alifax's invitation.

analyzer; (2) software and firmware concerning the acquisition and conversion of photometric measurements to an ESR value; and (3) certain information concerning myeloma and an "anemia factor." See generally Pl.'s Opp'n 12-20. Under RIUTSA, a "trade secret" is defined as:

[I]nformation, including a formula, pattern, compilation, program, device, method, technique, or process, that:

- (i) Derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and
- (ii) Is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

R.I. Gen. Laws § 6-41-1(4). Misappropriation includes the acquisition of a trade secret "by a person who knows or has reason to know that the trade secret was acquired by improper means." Id. § 6-41-1(2)(i). "Improper means" are in turn defined as "theft, bribery, misrepresentation, breach or inducement of a breach of a duty to maintain secrecy, or espionage through electronic or other means." Id. § 6-41-1(1). RIUTSA also prohibits disclosure or use of another's trade secret without consent by a person who (1) used "improper means" to acquire it, or (2) "knew or had reason to know" that the trade secret was "[d]erived from or through a person who owed a duty to the person seeking relief to maintain its secrecy." Id. § 6-41-1(2)(ii)(B).

i. The Capillary Photometer Sensor

The Defendants argue that because “[c]lear, plastic photometers used to measure properties of fluids have been on the market for decades,” Alcor’s particular use of a plastic CPS is “generally known” and not protectable under RIUTSA. Defs.’ Mem. 19. The Defendants also repeatedly fault Alifax for failing to produce an expert who opines that the CPS constitutes a trade secret. Id. at 18. The Court is unpersuaded by these arguments.

Alifax’s alleged trade secret is not, as Alcor describes it, the generic use of a plastic CPS to “measure properties of fluids.” Id. at 19. It is narrower: the use of a plastic CPS “in an automated system that takes photometric readings of a blood sample in a capillary tube following the stoppage of a pump—in other words, as part of an automated ESR analyzer.” ¹⁰ Pl.’s Opp’n 13; see also Pl.’s Second Am. Identification of Misappropriated Trade Secrets ¶ 1, ECF No. 137-27 (describing CPS trade secret as “[u]sing a plastic capillary photometer sensor . . . as the place where photometric measurements are taken to be used in the calculation of erythrocyte sedimentation rate (“ESR”) and related parame-

¹⁰ Alifax has abandoned any claim that the Defendants misappropriated trade secrets concerning “the means of creating the capillary channel in the plastic block or the use of screws with Teflon washers to connect the block to the Teflon tubing.” Pl.’s Opp’n 13 n.2.

ters"). The "generally known" use of a plastic CPS in other fluid-measurement applications does not, in and of itself, vitiate this contention. As the Second Circuit held in its oft-cited ruling in Imperial Chem. Indus. Ltd. v. Nat'l Distillers & Chem. Corp., 342 F.2d 737, 742 (2d Cir. 1965), "a trade secret can exist in a combination of characteristics and components, each of which, by itself, is in the public domain, but the unified process, design and operation of which, in unique combination, affords a competitive advantage and is a protectable secret." See also Water Servs., Inc. v. Tesco Chems., Inc., 410 F.2d 163, 173 (5th Cir. 1969) (holding protectable trade secret consisted of "the application of known techniques and the assembly of available components to create the first successful system in the industry").

Alifax's marshalling of the evidence showing that its use of a plastic CPS in an ESR analyzer was not generally known, and thus had some independent economic value, is relatively anemic. The Court has nevertheless parsed the record and concludes that — drawing, as it must, all reasonable inferences in Alifax's favor — a juror could reasonably find that its use of a plastic CPS as a component of its automated ESR analyzer constituted a trade secret. It is undisputed that the plastic CPS was intended to remedy variables in the optical path created when Teflon tubing was used for the reading chamber. PSDF ¶ 86. Although the record before the Court is meager, Alifax's officers testified that the

company "invented capillary photometry" and that its application of the CPS in this case was novel or new. See PSAUF Ex. J, Galiano Dep. at 9:3-19; DSUF Ex. 24, Spezzotti Dep., at 148:5-20. It is undisputed that Frappa was Alifax's Senior Manager of hardware and software/firmware design, and Alifax contends that he worked on the CPS project – codenamed "Mecca" – before his departure from Alifax. DSDF ¶ 24; Galiano Aff. ¶ 13. In particular, Frappa worked on a detailed internal report on the development and testing of a plastic reading cell. See PSAUF Ex. I; DSADF ¶ 162.¹¹

Despite the Defendants' suggestion to the contrary, expert testimony is not required to show the existence of a trade secret.¹² Such a determination is made "on a case-by-case basis, like any other case arising under any other area of law." BladeRoom Grp. Ltd. v. Emerson Elec. Co., 331 F. Supp. 3d 977, 982 (N.D. Cal. 2018). Trade secret misappropriation claims are commonly pursued without expert testimony. See, e.g., Bimbo Bakeries USA, Inc. v. Botticella, 613 F.3d 102, 110 (3rd Cir. 2010) (affirming order granting preliminary injunction where district court held, without

¹¹ The Defendants argue, among other things, that Alifax has no evidence that the iSED "uses" the CPS trade secret it allegedly misappropriated. Use, however, is not required under RIUTSA. § 6-41-1(2)(i) (defining misappropriation to include acquisition by improper means).

¹² The Defendants cite no law whatsoever in support of this argument.

noting reliance on an any expert testimony, that recipe for English muffins constituted protectable trade secret as plaintiff "produce[d] bread 'from scratch'"); Patriot Rail Corp. v. Sierra R.R. Co., No. 2:09-cv-0009-TLN-AC, 2015 WL 4662720, at *6-8 (E.D. Cal. Aug. 5, 2015) (finding fact witness testimony and documents supported the jury's determination that trade secrets existed and were misappropriated); StrikePoint Trading, LLC v. Sabolyk, No. SA CV071073DOC(MLGx), 2011 WL 13187269, at *4 (C.D. Cal. Nov. 21, 2011) (affirming verdict as jury heard sufficient testimony about the amount of time, money, and labor plaintiff expended to develop and maintain its client list, as well as efforts to keep it secret); Henkel Corp. v. Cox, 386 F. Supp. 2d 898, 902 (E.D. Mich. 2005) (finding, without citing expert testimony, that formula for unreleased product had independent economic value and was a trade secret). Alifax's failure to proffer an expert opinion here is therefore not dispositive of its CPS-related trade secret claim.

ii. The Software/Firmware Trade Secrets

Alifax's claims of software and firmware trade secret misappropriation have dwindled over time. See Pl.'s Opp'n 15 n.3. The Court understands that only two such theories remain: the alleged misappropriation of (1) the "means of [optical] signal acquisition," and (2) the means of converting photometric measurements to an ESR value, i.e. the conversion algorithm and its "very unusual constants." See Mot. Hearing Tr. 32:17-33:19, Sept. 25, 2018

(describing remaining software/firmware trade secret claims); Pl.'s Opp'n 14-15.

Alcor presses a preemption defense to nullify both allegations. Section 301(a) of the Copyright Act provides that all state law causes of action that are substantively equivalent to a federal copyright infringement claim are preempted. 17 U.S.C. § 301(a); see also Data Gen. Corp. v. Grumman Sys. Support Corp., 36 F.3d 1147, 1164 (1st Cir. 1994), abrogated on other grounds by Reed Elsevier, Inc. v. Muchnick, 559 U.S. 154 (2010). However, "if a state cause of action requires an extra element, beyond mere copying, preparation of derivative works, performance, distribution or display, then the state cause of action is qualitatively different from, and not subsumed within, a copyright infringement claim and federal law will not preempt the state action." Data Gen. Corp., 36 F.3d at 1164 (quotation marks omitted).

The First Circuit is one of many courts that have rejected Alcor's argument. A claim of trade secret misappropriation under state law "that requires proof of a breach of a duty of confidentiality" is not preempted by the Copyright Act "because participation in the breach of a duty of confidentiality – an element that forms no part of a copyright infringement claim – represents unfair competitive conduct qualitatively different from mere unauthorized copying." Id. at 1165; accord GlobeRanger Corp. v. Software AG U.S., Inc., 836 F.3d 477, 486-87 (5th Cir. 2016) ("Be-

cause trade secret law protects against not just copying but also any taking that occurs through breach of a confidential relationship or other improper means, all ten circuits that have considered trade secret misappropriation claims have found them not preempted by the Copyright Act.") (and cases cited therein). The apparent inability of Alifax's Rule 30(b)(6) witness to articulate the factual distinctions between its trade secret and copyright infringement causes of action (Alcor's only support for this defense) is irrelevant. See Defs.' Mem. 23. In Alifax II, the Court found that Frappa owed Alifax "a post-employment duty of loyalty prohibiting the disclosure or use of Alifax's confidential or proprietary information in a manner that was likely to [injure] Alifax's business." Alifax II, 2019 WL 317638, at *11. Alifax alleges that, at a minimum, Alcor knew or had reason to know that Frappa owed such duties to Alifax. See Second Am. & Suppl. Compl. ¶¶ 64-65. The RIUTSA claim is thus not preempted.

Turning to the RIUTSA claims' substance, the Court finds that summary judgment is again inappropriate. The Court disagrees with the Defendants' assertion that Dr. Bergeron "conceded at deposition that acquiring a signal and converting the signal . . . is not a trade secret." Defs.' Mem. 20-21. Dr. Bergeron was asked whether the first sentence of Paragraph 45 of his report "is a

trade secret."¹³ PSAUF Ex. A, Bergeron Dep. at 94:18-20. His response – "[t]hat statement is not a trade secret as far as I know," id. at 94:21-22 – is hardly an ironclad admission. It is at best susceptible of multiple interpretations, including that the statement in his report was not a trade secret. In any event, Dr. Bergeron opines:

[I]t was not generally known and would not have been readily ascertainable how to acquire signal data for a blood sample As one who designs and builds instruments, I expect that it would take a skilled engineer—but with no previous experience designing ESR analyzers based on stop-flow capillary technology—at least one entire month working full time just to program the signal acquisition feature of the instrument.

Bergeron Report ¶ 44; see also Bergeron Dep. at 89:1-18. As for whether converting optical signals to an ESR value could constitute a trade secret, Dr. Bergeron's report further belies Alcor's contention, even if it is inconsistent with other evidence. Bergeron Report ¶ 46 ("[A]n algorithm that would produce such commercially acceptable results was not generally known to or readily ascertainable by workers in the field using proper means.") The Court is not poised to resolve such disputes under Rule 56. See Ander-

¹³ The statement read: "Assuming that this signal could be acquired, one would then have to convert the signal data into a value that correlates with that of a standard or modified Westergren test." Bergeron Report ¶ 45, ECF No. 145-11.

son, 477 U.S. at 249; Scripps Clinic & Research Found., 927 F.2d at 1581.

The Defendants' additional argument is that Alifax's conversion algorithm and unique constants could not be used in the iSED device because "specific conversion parameters . . . are device dependent" is also unavailing. Defs.' Mem. 21. Assuming for argument's sake the validity of the Defendants' underlying proposition, this conclusion has no bearing on Alifax's misappropriation claim. It is undisputed that Alifax's conversion algorithm and constants (an alleged trade secret) were incorporated into some iteration of the source code for Version 104A of the iSED's software. See PSDF at ¶¶ 124-25, 127, 131; DSADF ¶ 167; see also DSADF Ex. B., Smith Decl. ¶¶ 5-6, ECF No. 171-11. A fact finder could therefore reasonably conclude that Alcor at least acquired this trade secret during the iSED's development. Acquisition by improper means, even without disclosure or use, is actionable under RIUTSA. See R.I. Gen. Laws § 6-41-1(2)(i).

iii. The Myeloma and Anemia Factor Information

There is uncontroverted evidence that Frappa sent information concerning myeloma and an "anemia factor" to a personal email account in the waning days of his employment with Alifax. See DSADF ¶ 168; PSAUF Ex. M, Frappa Dep. at 112:13-17. One email attached "a nice memo containing a condensate [sic] of known information available on the Internet" written by an Alifax employee

concerning myeloma. Frappa Dep. at 113:5-11; DSADF ¶ 170; PSAUF Ex. N (myeloma email attachment). Another email attached a spreadsheet with "a substantial quantity of data" concerning an "anemia factor" related to tests on an ESR analyzer. Frappa Dep. at 106:21-111:3. As the Court has already explained, whether Frappa or Alcor disclosed or used this information to develop the iSED is not dispositive if it was allegedly acquired by "improper means." See R.I. Gen. Laws § 6-41-1(2)(i).

Alcor nevertheless casts doubt on whether the transmitted information, much of which was publicly available, embodies a trade secret. Public availability alone, however, does not disqualify internal compilations from RIUTSA protection. Like the Uniform Trade Secrets Act, the statute specifically contemplates the protection of information formatted as a "compilation." See R.I. Gen. Laws § 6-41-1(4). As the Eighth Circuit explained in AvidAir Helicopter Supply, Inc. v. Rolls-Royce Corp., 663 F.3d 966, 972 (8th Cir. 2011), "[c]ompilations of non-secret and secret information can be valuable so long as the combination affords a competitive advantage and is not readily ascertainable." The quantum of non-public information in the compilation is moreover irrelevant. Id. ("[T]he effort of compiling useful information is, of itself, entitled to protection even if the information is otherwise generally known." (quoting N. Elec. Co. v. Torma, 819 N.E.2d 417, 426 (Ind. Ct. App.2004))); Penalty Kick Mgmt. Ltd. v. Coca Cola

Co., 318 F.3d 1284, 1291 (11th Cir. 2003) (“[E]ven if all of the information is publicly available, a unique combination of that information, which adds value to the information, also may qualify as a trade secret.”).

Alifax’s evidence supporting this theory of misappropriation is – again – sparse. In late August 2012, Frappa travelled to Rhode Island to meet with Alcor’s founder, who was interested in a potential working relationship. See Alifax II, 2019 WL 317638, at *2. Upon returning to Italy, he notified Alifax of his intent to resign as of September 1, 2011, but explained that he would remain at the company for the two-month notice period set forth in his contract. Id. It was during this period, and just four days before his departure, that Frappa forwarded the disputed information to a personal email account. See DSADF ¶ 168; Frappa Dep. at 112:13-17. Frappa knew when he sent the messages that he was going to work for Alcor, Frappa Dep. at 104:6-9, and he conceded at deposition that the compilations had some value, id. at 106:21-111:3, 113:5-11, 114:24-115:4. This narrative is thin, but the Court cannot say that no juror could reasonably find that, as internally compiled and maintained by Alifax, the myeloma and anemia factor information had some independent economic value conferring a competitive advantage on the company.

4. Copyright Infringement

The Defendants' last salvo targets Alifax's copyright infringement claim. Alifax alleges that Alcor willfully copied the company's conversion algorithm (with its recognizable constants) into the iSED's source code to convert optical signals to an ESR value.¹⁴ PSDF ¶ 124. To prevail, Alifax must prove at trial (1) control of a valid copyright, and (2) copying of the original elements of the work by Alcor. See Airframe Sys., Inc. v. L-3 Commc'ns Corp., 658 F.3d 100, 105 (1st Cir. 2011); Coquico, Inc. v. Rodriguez-Miranda, 562 F.3d 62, 66 (1st Cir. 2009). The first prong is not in dispute. Alifax holds copyright registrations for the allegedly duplicated source code at issue. See PSDF ¶¶ 111-114. No party has suggested that Alifax's source code was not copyrightable. The unanswered question is whether Alcor is entitled to a judgment that, as a matter of law, it did not unlawfully copy the protected material.

Not every instance of copying constitutes copyright infringement. Johnson v. Gordon, 409 F.3d 12, 17-18 (1st Cir. 2005)

¹⁴ This cause of action is alleged only against Alcor. See Second Am. & Suppl. Compl. ¶¶ 77-85. Furthermore, whatever its original strategy may have been, Alifax no longer alleges a separate theory of infringement based on the so-called "2006 Source Code Module," a section of Alcor's code identifying Frappa as its author and stating "Copyright: Alifax Tech." See Pl.'s Opp'n 20; Defs.' Mem. 24. Alifax suggests that the 2006 Source Code Module is merely evidence of willfulness. Pl.'s Opp'n 20.

(citing Feist Publ'ns, Inc. v. Rural Tel. Serv. Co., 499 U.S. 340, 361 (1991)). The copying must be wrongful, and such a finding is based on a two-part test. First, Alifax must demonstrate "actual copying," i.e., "that, as a factual matter, the putative infringer copied the protected work." Coquico, Inc., 562 F.3d at 66-67. Second, Alifax must prove Alcor's copying "was so egregious as to render the allegedly infringing and infringed works substantially similar." Id. at 66. As the First Circuit instructed in Johnson, "[t]he substantial similarity requirement focuses holistically on the works in question and entails proof that the copying was so extensive that it rendered the works so similar that the later work represented a wrongful appropriation of expression." 409 F.3d at 18. This quality ordinarily must be evaluated from the perspective of "the ordinary observer."¹⁵ Airframe Sys., 658 F.3d at 106. De minimis copying – the reproduction of "such a small amount of the plaintiff's work . . . that the two works cannot be said to be substantially similar" – is not actionable infringement. Situation Mgmt. Sys. v. ASP Consulting LLC, 560 F.3d 53, 58-59 (1st

¹⁵ As the First Circuit highlighted in Airframe Systems: "Where, as here, the copyrighted work involves specialized subject matter such as a computer program, some courts have held that the ordinary observer is a member of the work's intended audience who possesses specialized expertise." 658 F.3d 106 n.7 (quotation marks omitted). The First Circuit does not appear to have ironed the wrinkles out of this standard, but it is unnecessary to do so here.

Cir. 2009) (citing 2 Nimmer & Nimmer, Nimmer on Copyright § 8.01[G], at 8-26 (2008)).¹⁶ Given the fact-intensive nature of these criteria, summary judgment on copyright infringement issues is "unusual." Segrets, Inc. v. Gillman Knitwear Co., 207 F.3d 56, 62 (1st Cir. 2000).

Here, Alifax has produced direct evidence of "actual copying." Dr. Bergeron and Alcor's code expert, Daniel Smith, each observed the Alifax constants in the iSED software's source code. See PSDF ¶¶ 124, 127; DSADF ¶¶ 167, 174; PSAUF Ex. K, Smith Dep. at 121:12-123:20, ECF No. 167. The constants were observed in the source code for software identified as "Version 104A." See PSDF ¶¶ 124-25, 127; DSADF ¶¶ 167, 174; Smith Dep. at 121:12-123:20. Alcor nevertheless contends that it did not infringe Alifax's copyright registration as (1) the constants were only present in a "pre-production" iteration of Version 104A that "never shipped in any functional iSED machine," and (2) due to different electronics and mechanical engineering, conversion constants are necessarily device specific; Alifax's constants are not fungible data and would

¹⁶ Put another way, de minimis copying is "a technical violation of a right so trivial that the law will not impose legal consequences." Ringgold v. Black Entm't Television, Inc., 126 F.3d 70, 74 (2d Cir. 1997); see also UpdateCom, Inc. v. FirstBank P.R., Inc., No. CIV. 10-1855 SCC, 2014 WL 346436, at *3 (D.P.R. Jan. 30, 2014) (finding "11 lines of 5,000, or about 0.22%—constituted de minimis copying in the absence of other evidence.").

not work in any device sold to a customer. Defs.' Mem. 26; Defs.' Reply 19.

After carefully reviewing the record, the Court cannot grant summary judgment on either basis. Regarding Alcor's first argument, there is evidence that an iteration of Version 104A contained the protected work. See PSDF ¶¶ 124, 127; DSADF ¶¶ 167, 174; Smith Dep. at 121:12-123:20. It is also undisputed that Alcor's records show that at least one iSED – and possibly more¹⁷ – was sold with software identified as "Version 1.04A" installed. DSADF ¶ 177; PSAUF Ex. L, ECF No. 167. The parties have produced dueling expert opinions concerning whether the "Version 104A" containing Alifax's protected constants could be the same software installed on one or more iSED units when sold. See DSADF ¶ 185; PSAUF Ex. P, Bergeron Decl.; Smith. Decl. ¶¶ 5-9. It is not the Court's role to select a victor at this stage.

Alcor's argument that conversion constants are device specific (and thus useless to anyone else even if copied) would side-

¹⁷ The document Alcor produced listing all the iSED instruments it sold to customers includes the software installed at the time of manufacture or "as [of] the date of service, whichever is later." DSADF Ex. A, Frappa Decl. ¶ 7. Alcor does not appear to genuinely dispute that until October 2013, iSED units were sold with some iteration of Version 104A installed, though it disputes whether Alifax's conversion constants were present in that software. See DSADF ¶ 182.

step these complications. However, as the parties should be acutely aware, the record before the Court concerning the evolution of Version 104A is muddy and unsettled. For example, it is undisputed that tests to correlate the iSED's method of measuring ESR to the standard Westergren methodology were conducted December 2012 and January 2013 with an iSED prototype. DSADF ¶ 188. It is unclear, and the parties dispute, what software version the prototype device ran.¹⁸ See DSADF ¶¶ 186-191. The test protocol designated the software as "software version 1.00." Id. ¶ 189. But at his deposition, Frappa could not recall what was meant by "software version 1.00" and explained that "[in] the very early stages of development of the software, the tracking of the changes were not kept in a religious way."¹⁹ Frappa Dep. 61:14-62:5. He further described version 1.00 as the "very, very first code written for the analyzer," while noting that the code identified in the test protocol may have been incorrect. Id. at 71:17-72:8. At the same time, it is undisputed that the "first version" of the iSED's software incorporated Alifax's constants. See PSDF ¶¶ 124,

¹⁸ The dates of these tests appear to predate all the so-called "commit" files submitted by Alcor from its code repository in an attempt to demonstrate that iSED units in March 2013 were not sold with an iteration of Version 104A that contained Alifax's constants. See Frappa Decl. ¶¶ 17-19.

¹⁹ Frappa's affidavit in support of summary judgment is more confident and contends that the prototype ran software that did not include Alifax's constants. See generally Frappa Decl.

127; DSADF ¶¶ 167, 174; Smith Dep. at 121:12-123:20, Reasonable jurors could interpret these facts to find that Alcor made some use of Alifax's conversion constants. Thus, the record before the Court is not ripe for summary judgment.

The Court perceives the core of Alcor's non-infringement arguments to be a de minimis copying defense expressed in technical terms. In other words, any alleged use Alcor could have made of Alifax's protected work was trivial, and "the law does not concern itself with trifles." Ringgold, 126 F.3d at 74. Such a conclusion may reflect a rational interpretation of the evidence, but based on the present state of the record, a final determination must be reserved for a jury.

A. Alifax's Motion for Partial Summary Judgment

Alifax moves for summary judgment on Count III of Alcor's counterclaim, which alleges that Alifax intentionally interfered with Alcor's prospective contractual relations by filing this action, which has in turn "caused distributors to withdraw from negotiations with Alcor." Ans. ¶ 47. The gravamen of Alcor's cause of action is that Alifax's claims of patent infringement, trade secret misappropriation, and copyright infringement are "objectively baseless" and that this action was filed to serve anti-competitive ends. Id. ¶ 46; Defs.' Opp'n to Pl.'s Mot. for Summ. J. 1, ECF No. 180. Alifax's principle basis for judgment in its favor is the Noerr-Pennington doctrine – a rule established to

protect a litigant's constitutional right to petition the government for redress. Pl.'s Mot. for Summ. J. 12-14, ECF No. 166.

The Court agrees that the Noerr-Pennington doctrine should control here. The doctrine was born from twin antitrust cases, see Eastern Railroad Presidents Conference v. Noerr Motor Freight, Inc., 365 U.S. 127 (1961) and United Mine Workers v. Pennington, 381 U.S. 657 (1965), but is rooted in fundamental First Amendment principles. Sosa v. DIRECTV, Inc., 437 F.3d 923, 929 (9th Cir. 2006) (stating the doctrine "derives from the First Amendment's guarantee of "the right of the people . . . to petition the Government for a redress of grievances." (quoting U.S. Const. amend. I.)). As described by the Ninth Circuit in Theme Promotions, Inc. v. News America Marketing FSI, 546 F.3d 991, 1006 (9th Cir. 2008), "[t]he essence of the Noerr-Pennington doctrine is that those who petition any department of the government for redress are immune from statutory liability for their petitioning conduct." The protection offered by this form of immunity includes petitioning activities in "all departments of the Government," including bringing legitimate disputes in U.S. courts. Cal. Motor Transp. Co. v. Trucking Unlimited, 404 U.S. 508, 510 (1972).

Alcor urges the Court to cabin the doctrine's applicability to the facts of its origin – antitrust cases. The Court is unpersuaded. Noerr-Pennington immunity has a broad "constitutional foundation." Sosa, 437 F.3d at 930; Amarel v. Connell, 102 F.3d

1494, 1518 (9th Cir. 1996), as amended (Jan. 15, 1997) (describing Noerr-Pennington as a "general rule" that includes "the approach of citizens . . . to administrative agencies . . . and to courts" (quotation marks omitted); Whelan v. Abell, 48 F.3d 1247, 1254 (D.C. Cir. 1995) ("As Noerr-Pennington rests on the conclusion that the filing of claims in court . . . is part of the protected right to petition, it is hard to see any reason why . . . common law torts . . . might not in some of their applications be found to violate the First Amendment."). As the Third Circuit concluded, "the purpose of Noerr-Pennington as applied in areas outside the antitrust field is the protection of the right to petition." We, Inc. v. City of Phila., 174 F.3d 322, 327 (3d Cir. 1999). Courts across the country have thus applied the doctrine to other causes of action, including common law torts such as tortious interference, that could chill the constitutional right of petition.²⁰ See, e.g., Theme Promotions, 546 F.3d at 1006-07 (9th Cir. 2008) (applying Noerr-Pennington to claim for tortious interference with prospective economic advantage under California law); Pers. Dep't, Inc. v. Prof'l Staff Leasing Corp., 297 F. App'x. 773, 779 (10th

²⁰ As the U.S. District Court for the District of Massachusetts recently observed, "The First Circuit has not decided whether the Noerr-Pennington doctrine is applicable to state law claims as a matter of federal law." United Food & Commercial Workers Unions & Emp'rs Midwest Health Benefits Fund v. Novartis Pharm. Corp., No. 15-CV-12732, 2017 WL 2837002, at *9 (D. Mass. June 30, 2017), aff'd, 902 F.3d 1 (1st Cir. 2018).

Cir. 2008) (holding that Noerr-Pennington can provide immunity from liability arising from a tortious interference claim); Int'l Bhd. of Teamsters, Local 734 Health & Welfare Tr. Fund v. Philip Morris Inc., 196 F.3d 818, 826 (7th Cir. 1999) ("Although the Noerr-Pennington doctrine originated in antitrust law, its rationale is equally applicable to RICO suits."); Video Int'l Prod., Inc. v. Warner-Amex Cable Commc'ns, Inc., 858 F.2d 1075, 1084 (5th Cir. 1988) (applying Noerr-Pennington to tortious interference with contract claim); Sierra Club v. Butz, 349 F. Supp. 934, 938-39 (N.D. Cal. 1972) (applying Noerr-Pennington to contractual interference claim).²¹

Alcor's contentions that the Rhode Island Supreme Court has not fully embraced the Noerr-Pennington principles or that the Rhode Island Limits on Strategic Litigation Against Public Participation ("Anti-SLAPP") statute, R.I. Gen. Laws § 9-33-1 et seq., displaces this doctrine are untenable. Like many of the courts cited above, the Rhode Island Supreme Court recognized in Pound Hill Corp. v. Perl that "[a]lthough the [Noerr-Pennington] doc-

²¹ Alcor cites a statement from this Court's ruling in In re Loestrin 24 Fe Antitrust Litig., 261 F. Supp. 3d 307, 338 (D.R.I. 2017), as support for its position. The Court stated, "Generally, under the Noerr-Pennington doctrine, a Sherman Act violation cannot be predicated upon mere attempts to influence the passage or enforcement of laws." Id. (quotation marks omitted). The Court did not specifically hold that Noerr-Pennington could not apply to state-law tort claims. Id. at 348.

trine arose in a context of application of the antitrust statutes, it is based upon the First Amendment right to petition the government for redress of grievances." 668 A.2d 1260, 1263 (R.I. 1996). In Hometown Properties, Inc. v. Fleming, the Court unambiguously stated, "This Court has adopted the Noerr-Pennington premise and has applied its protection to common-law tort claims." 680 A.2d 56, 60 (R.I. 1996). Count III of Alcor's counterclaim is a common law tort claim.

Furthermore, nowhere in the Rhode Island Supreme Court's relevant rulings does the Court purport to limit the applicability of Noerr-Pennington to issues of "public concern," as Alifax suggests. The "private" nature of such cases is commonplace. See, e.g., Theme Promotions, Inc., 546 F.3d at 1006-07 (a dispute between an advertiser and a publisher concerning whether right of first refusal agreements between publisher and packaged goods companies violate antitrust law or constituted tortious interference with prospective economic advantage). The frequent invocation of this doctrine in actions related to matters of public concern does not necessarily limit its applicability to actions involving such matters. As the Supreme Court acknowledged in Hometown Properties, the Rhode Island Anti-SLAPP statute compliments the Noerr-Pennington doctrine by "protect[ing] valid petitioning activities." 680 A.2d at 61. The statute cannot, however, displace a doctrine drawn from a federal constitutional right to petition. See Theme Pro-

motions, Inc., 546 F.3d at 1007 (holding as “Noerr-Pennington protects federal constitutional rights, it applies in all contexts, even where a state law doctrine advances a similar goal”).

The Court also finds that the “sham exception” to Noerr-Pennington immunity is inapplicable as a matter of law. Sham petitioning activities are not entitled to protection. See Noerr Motor Freight, Inc., 365 U.S. at 144. The criteria for identifying such nonsense lawsuits are well-defined. An action is considered a “sham” if it is (1) objectively baseless, and (2) subjectively motivated by a desire to abuse process rather than obtain judicial relief. Prof’l Real Estate Inv’rs, Inc. v. Columbia Pictures Indus., Inc., 508 U.S. 49, 60-61 (1993). A lawsuit is only “objectively baseless” if “no reasonable litigant could realistically expect success on the merits,” id., and a finding of objective merit obviates the need to inquire as to motive. See id. at 57 (“[A]n objectively reasonable effort to litigate cannot be sham regardless of subjective intent.”).

A legion of federal courts, including the Federal Circuit, have held that a denial of summary judgment precludes a finding of objective baselessness as a matter of law. See, e.g., Beckman Instruments, Inc. v. LKB Produkter AB, 892 F.2d 1547, 1551 (Fed. Cir. 1989) (“find[ing] it difficult to agree that [an] inequitable conduct defense was ‘baseless’ when it survived a motion for summary judgment and was rejected only after findings were made on

disputed facts"); Twin City Bakery Workers & Welfare Fund v. Astra Aktiebolag, 207 F. Supp. 2d 221, 224 (S.D.N.Y. 2002) ("[A]llowing claims of infringement of four of the six asserted patents to proceed beyond summary and two of the four to proceed through trial, preclude any contention that defendants' litigation is so baseless as not to warrant Noerr-Pennington immunity."); Nobelpharma Ab v. Implant Innovations, Inc., 930 F. Supp. 1241, 1255 (N.D. Ill. 1996) (denial of motion for summary judgment "foreclosed" the argument that the patent infringement lawsuit was objectively baseless); Gen-Probe, Inc. v. Amoco Corp., Inc., 926 F. Supp. 948, 958 (S.D. Cal. 1996) ("A denial of summary judgment means that the nonmoving party has produced enough evidence that a rational jury could find in its favor. A party with sufficient evidence to support a jury finding in its favor has probable cause to bring a lawsuit.").

The Court has denied the Defendants' request for summary judgment on the three claims Alcor contends are unfounded. If reasonable minds can differ concerning the Defendants' liability, the same reasonable minds could not conclude that Alifax could not "realistically expect success on the merits." Prof'l Real Estate Inv'rs, 508 U.S. at 60-61; see also Avitech, LLC v. Embrex, Inc., WMN-04-3082, 2008 WL 11287093, *5 (D. Md. Aug. 19, 2008) (holding that if a reasonable jury could find infringement, "a reasonable jury could not find that [patentee] could not have held a reason-

able belief that there was a chance that its infringement claim would succeed"). Accordingly, as a matter of law Alifax is entitled to judgment in its favor on Count III of Alcor's First Amended Counterclaim.

IV. Conclusion

Alifax has avoided "the swing of the summary judgment ax," United States v. One Lot of U.S. Currency (\$68,000), 927 F.2d 30, 32 (1st Cir. 1991) (Selya, J.), at times by a whisker. Regardless, having found that reasonable minds could differ as to the veracity of Alifax's claims, this action falls squarely within the First Amendment's petitioning protections as articulated under the No-err-Pennington doctrine. Consequently, for the foregoing reasons, the Defendants' Motion for Partial Summary Judgment (ECF Nos. 142, 143) is DENIED, and Plaintiff's Motion for Partial Summary Judgment on Count III of the First Amended Counterclaim (ECF Nos. 159, 166) is GRANTED.

IT IS SO ORDERED.



William E. Smith
Chief Judge
Date: March 26, 2019