

VOIP-PAL CEO and Director Emil Malak discusses his Battles with the Large Communications Companies to Protect His Patented Technology that Enables Switching between the Internet and Landlines when Placing Phone Calls



Emil Malak, CEO & Director

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Interview conducted by:
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CEOCFO: Mr. Malak, Would you give us a brief description of your technology that has revolutionized communication?

Mr. Malak: A team of Russian, Danish, New Zealand and Canadian software and hardware engineers came into my restaurant, the Bellaggio Café, in 2004. They said that internet would be the future for making telephone calls. They explained that internet telephony was going to become very popular. What has to happen is they will have to differentiate when a call is issued. If I called you today it would go to the hub of AT&T; if I am with AT&T the system will ask two questions. Are you Bud Wayne on the internet, and do you have

an internet package? If you do, then will just send it; the first five seconds it connects to the internet and it is free. If you are not on the internet, it will go through the PSTN (Public Switched Telephone Network) and they are going to charge you in terms of the minutes.

Most of the telecommunications entities use this system. We believe this means every single click has to apply this differentiating question: whether or not you are on the internet, if so, then it is mostly free, and if not, it will route through your legacy system via PSTN and charge the time per your minutes package. We believe every click and message done this way goes through public or private since 2010. What our patented technology does is allow phone calls routed over the Internet to be seamlessly transferred between traditional landlines, cell phone networks and the internet. Without our technology this would be practically impossible and costly today, and the big players have broken our patent and are using our technology without licensing it. Each one should be paying a fee to use our technology.

CEOCFO: Your company put up nodes and established the pathways, is that correct?

Mr. Malak: We installed nodes in Vancouver, London and Denmark to internally test if the system worked. We knew it worked when we started testing in 2006, and we filed for the patents, which took us until well into 2013 to get them issued. Now we are in 2019 and we are nowhere near monetizing our patents. IPR petition after IPR petition and lawsuit after lawsuit and we are still nowhere near monetizing our patents. The Silicon Valley infringers are using the broken and biased patent system to keep us in court for years to come.

CEOCFO: Your technology is being used all over the place by many different companies. Would you tell us some of the companies that are using it right now?

Mr. Malak: Every company that is currently in telecommunications, whether internet or legacy (PSTN), such as AT&T, Verizon, T-Mobile, Sprint, Apple, and Facebook, and also companies like Amazon because of Alexa, and Google etc., have been and are still using our Voip-Pal system. We consider their subscribers to be our indirect subscribers.

CEOCFO: Did they take your technology and then integrate your technology and build their own from it?

Mr. Malak: Yes, they just integrated our technology into their own product, because that was the cheapest way of differentiating between a private node and public node, in how to route a call.

CEOCFO: *What was the response when you approached the bigger companies?*

Mr. Malak: They said “Go to hell, you will never win. We are big boys.” That is happening all the time and it is nothing new. Unfortunately the patent system supports the big infringers and makes it almost impossible for a small patent owner or inventor to monetize their now worthless issued patents.

CEOCFO: *How long does it take to get a patent issued?*

Mr. Malak: It can take six or more years to have a patent issued. Add another two to three years to get through any IPR challenges. Then you must survive another three to five years of court proceedings for the hope of being awarded damages. Then another few years to collect the damages. Very few small companies and inventors can even survive the process. So who wins? The deep pocketed Silicon Valley and big pharmaceutical companies etc. The inventor loses. If we want to encourage innovation, the process needs to be shortened. It should not take more than four years from start to finish to actually monetize a patent.

CEOCFO: *How is the Alice 101 motion destroying innovation?*

Mr. Malak: In 1876, Alexander Graham Bell was credited with inventing and patenting the first practical telephone. Around the same time Thomas Edison was rolling out literally hundreds of inventions and patents for things like the power generator, the light bulb, sound and motion picture recording apparatus. These great inventors must be turning in their graves now watching so many great inventions being invalidated because of a complete lack of understanding coming from the PTAB and the courts as a result of the AIA.

Today our lives are run by computers, so the courts have now decided that any computer data improvements are abstract. This is madness! As an inventor, let me point out that all ideas begin as an abstract dream that is then developed to the point it becomes an actual invention. For more than two hundred years of patent laws abstract was never meant to apply to patents. Now suddenly the courts are subjectively invalidating quality patents for being “abstract.”

“And this is my advice to all patent inventors. Keep it a trade secret. Do not patent with the current US patent system. If you need to patent, I suggest you start with Europe, India or China who are improving their patent protection laws and surpassing the United States in protecting inventions.”- Emil Malak

CEOCFO: *Did the America Invents Act passed in Congress in 2011, help or hurt you?*

Mr. Malak: Michelle Lee, former USPTO Director and one time high ranking Google IP attorney made sure that the AIA would make it very difficult for patent owners to monetize their inventions. The AIA was called by many experts and honest judges a “killing field” for patents. The anti-patent policies of the Obama administration have created a very hostile environment for patent owners on all levels, including IPR/PTAB, federal district court, appellate courts and the confusing message from the Supreme Court on abstract in the now famous Alice Corp. vs. CLS Bank International. All of these have caused the cancellation very good patents by the thousands. It seems to me the financial contributions by the Silicon Valley to elected politicians were mostly responsible for the passage of the AIA.

CEOCFO: *Do you want the USPTO to make these decisions?*

Mr. Malak: First, the AIA must be repealed and replaced. It is a cancer that cannot be repaired. The USPTO has over 8000 of the world’s best technical experts who have the title of Examiners. They also have about 600 of the best attorneys that can analyze the legal interpretations of patents. We should use them. Patents should be examined at the USPTO on all technical levels such as 101 (Alice motion), 102, 103, prior art, obviousness, novelty and indefiniteness before the examiner issues the patent. Whenever a patent is challenged, decisions of validity should be made by PTAB judges at the USPTO based on clear cut guidelines. Nothing should ever be subjective. The federal courts should only be asked to make decisions on infringement and damages. They lack the complex technical expertise to make patent validity decisions. Also, the process is too long. The time it takes should be cut in half.

The Silicon Valley has exploited the weaknesses in current patent law and they are comfortably acting as if they are above the law. I do believe the new USPTO Director Andrei Iancu is doing his best to address each of these issues and bring back the credibility and integrity of the Agency. In my opinion he will only succeed if the AIA is repealed and replaced.

CEOCFO: *Are you saying lobbying must stop?*

Mr. Malak: I am saying lobbying with any financial contributions and donations to support elected officials and their reelection campaigns leads to corruption. The typical example is the corrupt America Invents Act. Let’s not think the public is naïve. Why would the Silicon Valley give millions of dollars to politicians? They do it to get back favors in return for their contributions. The United States still today is the best country for freedom of speech and justice. The world looks up to the United States and we need to constructively correct the mistake of the AIA that is more fitting of a banana republic.

CEO CFO: *In closing, you have been involved with some very interesting work in cancer. Would you tell us about the Thorne Oncology Company?*

Mr. Malak: For the past seven years Thorne Limited has been conducting tests in Germany to help slow down many folds of cancer metastasis. We are hoping in the next two to three years that our research will be advanced enough to slow down metastasis for most types of cancer. You do not die from the original cancer, you die when it metastasizes. As the Chairman, I am personally committed along with my medical partners who are the best experts in the field, to find a possible solution that in conjunction with other treatments would lead to greatly reducing metastasis and at least give a cancer patient more years to live. Every person has been affected by cancer whether directly or members of their family. I myself have had my father and brother pass away from cancer. Once successful, we will make this treatment available to everyone, in particular the poor that would otherwise not be able to afford treatment.

CEO CFO: *Last but not least will you be patenting your cancer technology?*

Mr. Malak: No Chance! I am not going to go through the hell again I have been going through with Voip-Pal. I have requested my medical partners keep our invention a trade secret and far away from the USPTO. And this is my advice to all patent inventors. Keep it a trade secret. Do not patent with the current US patent system. If you need to patent, I suggest you start with Europe, India or China who are improving their patent protection laws and surpassing the United States in protecting inventions.

