

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

YAMAHA CORPORATION OF AMERICA,
Petitioner,

v.

BLACK HILLS MEDIA, LLC,
Patent Owner.

Case IPR2013-00594
Patent 8,050,652 B2

Before BRIAN J. MCNAMARA, STACEY G. WHITE, and PETER P.
CHEN, *Administrative Patent Judges*.

WHITE, *Administrative Patent Judge*.

FINAL WRITTEN DECISION
35 U.S.C. § 318(a) and 37 C.F.R. § 42.73

I. INTRODUCTION

Yamaha Corporation of America (“Petitioner”) filed a Petition requesting an *inter partes* review of claims 1–4, 6–8, 10, 11, 13, 14, 21, 22, 24–29, 31, 32, 34, 35, 42–45, 47–50, 52, 53, 55, and 56 of U.S. Patent No. 8,050,652 B2 (Ex. 1001, “the ’652 Patent”) pursuant to 35 U.S.C. §§ 311–319. Paper 1 (“Pet.”). Black Hills Media, LLC (“Patent Owner”) filed a Preliminary Response. Paper 10. On March 20, 2014, we instituted an *inter partes* review of claims 1–4, 6–8, 10, 11, 13, 21, 22, 24–29, 31, 32, 34, 42–45, 47–50, 52, and 53, on three of the grounds unpatentability alleged in the Petition. Paper 17 (“Dec. to Inst.”). After institution of trial, Patent Owner filed a Patent Owner’s Response (Paper 27, “PO Resp.”), to which Petitioner filed a Reply to Patent Owner’s Response (Paper 31, “Reply”). Patent Owner filed a Motion to Exclude (Paper 35, “Mot. to Excl.”), to which Petitioner filed an Opposition (Paper 40, “Opp. Mot. to Exclude”) and Patent Owner filed a Reply (Paper 41).

A consolidated oral hearing for IPR2013-00593, IPR2013-00594, IPR2013-00597, and IPR2013-00598, each involving the same Petitioner and the same Patent Owner, was held on October 20, 2014. The transcript of the consolidated hearing has been entered into the record. Paper 46 (“Tr.”).

The Board has jurisdiction under 35 U.S.C. § 6(c). In this Final Written Decision, issued pursuant to 35 U.S.C. § 318(a) and 37 C.F.R. § 42.73, we determine Petitioner has shown by a preponderance of the evidence that challenged claims 1–4, 6–8, 10, 11, 13, 21, 22, 24–29, 31, 32, 34, 42–45, 47–50, 52, and 53 are unpatentable. Patent Owner’s Motion to Exclude is dismissed as moot.

A. Related Proceedings

Petitioner indicates that the '652 Patent is at issue in *Black Hills Media, LLC v. Yamaha Corp. of America*, No. 2:13-cv-006054 (C.D. Cal.). Pet. 2–4. In addition, Patent Owner has pending cases concerning the '652 Patent in the United States District Court for the District of Delaware and the Central District of California, and an investigation before the U.S. International Trade Commission, *Certain Digital Media Devices, Including Televisions, Blu-Ray Disc Players, Home Theater Systems, Tablets and Mobile Phones, Components Thereof and Associated Software*, Inv. No. 337-TA-882 (USITC). Patent Owner's Supplemental Mandatory Notice (Paper 48) 1–3. The '652 Patent is the subject of two other petitions for *inter partes* review.¹ *Id.* at 3. In addition, U.S. Patent No. 8,045,952 B2 is related to the '652 Patent and is the subject of three petitions for *inter partes* review.² *Id.*

B. The '652 Patent

The '652 Patent is directed to methods and apparatuses that allow users to receive and play audio from various sources and to assign playlists over a network to a network-enabled audio device. Ex. 1001, Abstract. The Specification lists several problems with prior art systems such as the cost and technical complexity associated with listening to streaming audio over the Internet and playing songs on a PC. *Id.* at 1:52–2:12. The '652 Patent purports to alleviate such issues “by providing a network-enabled audio

¹ Cases IPR2014-00737 and IPR2015-00334.

² Cases IPR2013-00593, IPR2014-00740 and IPR2015-00340.

device for listening to a variety of audio sources with substantially equal convenience.” *Id.* at 2:15–19.

In Internet radio mode, the inventive device receives and plays a broadcast from an Internet radio station. *Id.* at 10:3–12, 10:49–57. The inventive device also may work in conjunction with a computer. *Id.* at 16:32–35. In that embodiment, software may be used to assign a playlist of songs to a network-enabled audio device. *Id.* This embodiment is illustrated in Figures 15 and 19B of the ’652 Patent.

Figure 15 is reproduced below:

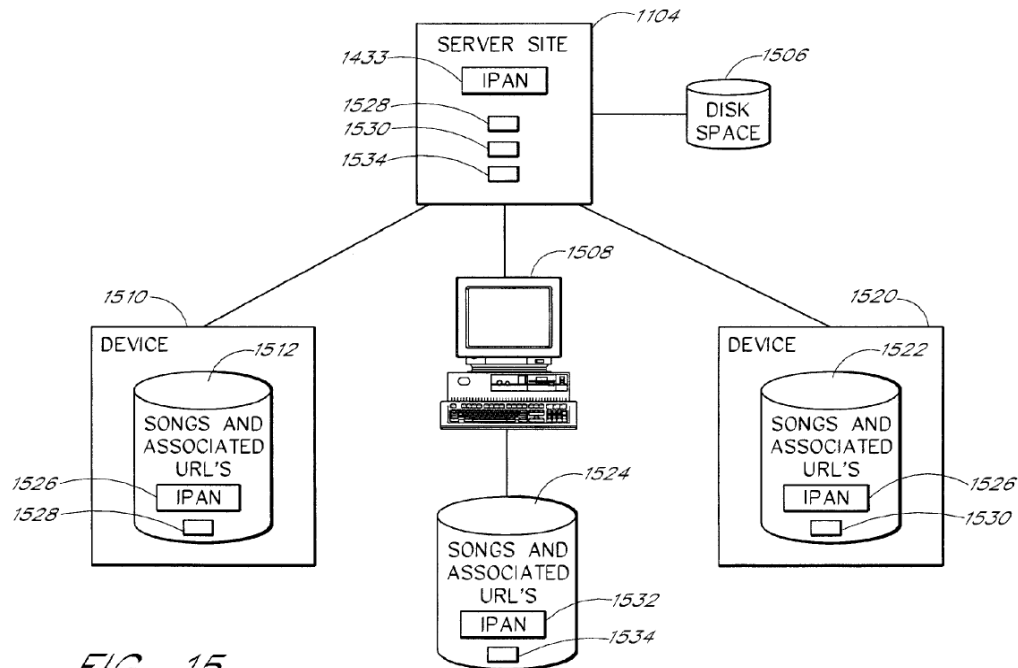


FIG. 15

Figure 15 is a block diagram illustrating the configuration between network-enabled audio devices and a stereo web site. Ex. 1001, 6:4–6. Figure 15 illustrates two network-enabled audio devices (1510 and 1520) connected to Internet Personal Audio Network (“IPAN”) server site 1104. *Id.* at 21:40–43. Storage spaces (1512 and 1522) of network-enabled audio devices (1510 and 1520) are used to store IPAN software 1526, playlists (1528 and

1530), and associated URLs and songs. *Id.* at 21:43–57. Server site 1104 includes IPAN software 1433 and playlists (1528 and 1530). *Id.* at 21:52–57.

Figure 19B of the '652 Patent is reproduced below:

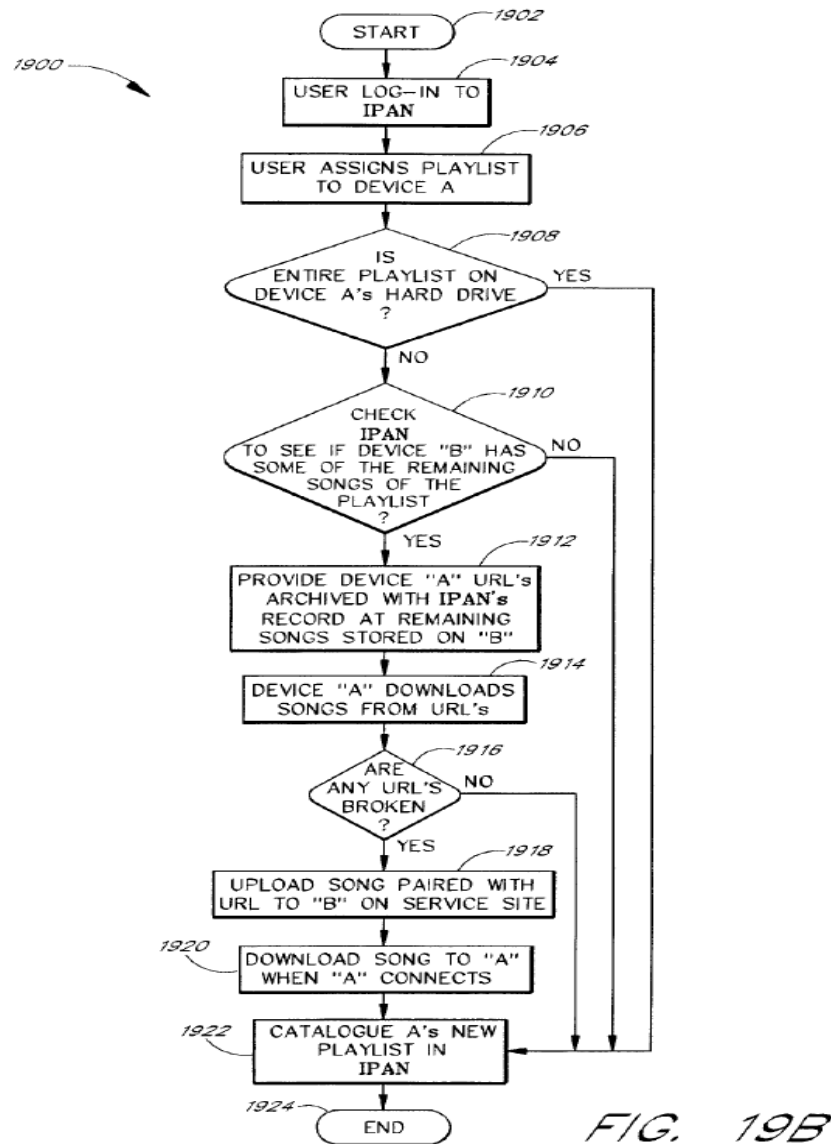


FIG. 19B

Figure 19B shows the process for assigning a playlist to a device. Ex. 1001, 6:60–61. At step 1908, a user assigns a playlist to first device 1510. *Id.* at 28:14–16. The system then determines if the entire playlist is stored on the hard drive of first device 1510. *Id.* at 28:20–22. If the entire playlist is not

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