

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*.

DECISION
Institution of *Inter Partes* Review
37 C.F.R. § 42.108

I. INTRODUCTION

A. Background

Yamaha Corporation of America (“Petitioner”) filed a petition to institute 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 (“challenged claims”) 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 (“Prelim. Resp.”). We have jurisdiction under 35 U.S.C. § 314.

The standard for instituting an *inter partes* review is set forth in 35 U.S.C. § 314(a), which provides as follows:

THRESHOLD – The Director may not authorize an *inter partes* review to be instituted unless the Director determines that the information presented in the petition filed under section 311 and any response filed under section 313 shows that there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.

Petitioner contends the challenged claims are unpatentable under 35 U.S.C. §§ 102 and 103 on the following specific grounds (Pet. 12-14):

Reference(s)	Basis	Claims challenged
Leeke ¹	§102 §103	1, 2, 4, 6, 7, 10, 11, 13, 14, 21, 22, 24, 25, 28, 31, 32, 34, 35, 42, 43, 45, 47, 48, 52, 53, 55, and 56
Qureshey ² and Berman ³	§103	1-4, 6-8, 10, 13, 21, 22, 24-29, 31, 42-45, 47-50, and 52

¹ U.S. Patent No. 6,587,127 B1, July 1, 2003, filed Nov. 24, 1998 (Ex. 1010).

² WO 99/38266, published July 29, 1999 (Ex. 1011).

Reference(s)	Basis	Claims challenged
Qureshey, Berman, and Leeke	§103	11, 32, and 53
Lansonic DAS-750 ⁴	§102	1-4, 6, 7, 10, 21, 22, 24, 25, 27-29, 31, 42-45, 47, 48, and 52
Lansonic DAS-750	§103	1-4, 6-8, 10, 21, 22, 24-29, 31, 42-45, 47-49, and 52
White ⁵	§103	1-4, 6, 7, 13, 21, 22, 24, 25, 27, 28, 34, 42-45, 47, and 48

For the reasons described below, we determine that the present record demonstrates a reasonable likelihood that Petitioner will prevail in establishing the unpatentability of all but four of the challenged claims. Accordingly, we grant the Petition for *inter partes* review of the '652 Patent as to claims 1-4, 6-8, 10, 11, 13, 21, 22, 24-29, 31, 32, 34, 42-45, 47-50, 52, and 53 based on the authorized grounds, as discussed below. We deny the Petition as to claims 14, 35, 55, and 56.

B. Related Matters

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 also has pending cases concerning the '652 Patent in the United States District Court for the District of Delaware involving Sharp (1:13-cv-00804), Toshiba (1:13-cv-00805), Panasonic (1:13-cv-00806) and LG Electronics Inc. (1:13-cv-00803-RGA); a case in the Eastern District of Texas against Samsung (2:13-cv-00379); cases in the

³ U.S. Patent No. 6,502,194 B1, Dec. 31, 2002, filed Apr. 16, 1999 (Ex. 1012).

⁴ Web pages describing the Lansonic DAS-750 (Ex. 1013).

⁵ U.S. Patent No. 7,187,947 B1, Mar. 6, 2007, filed Mar. 28, 2000 (Ex. 1014).

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Central District of California involving Pioneer (2:13-cv-05980), Logitech International (2:13-cv-06055), and Sonos, Inc. (2:13-cv-06062); 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). Pet. 3-4; Mandatory Notice (Paper 5) 1-2. Also, U.S. Patent No. 8,045,952 B2 is related to the '652 Patent and is the subject of a separate petition for *inter partes* review, which currently is pending before the Board.⁶ Pet. 2-3.

C. Real Party-in-Interest

Patent Owner alleges that Petitioner fails to identify all real parties-in-interest and thus, the Petition should be dismissed for noncompliance with 35 U.S.C. § 312(a) and 37 C.F.R. § 42.8(b)(1). Prelim. Resp. 2, 6. Patent Owner asserts that Pioneer Corporation and Pioneer Electronics (USA) Inc. (collectively "Pioneer") should have been identified in the Petition as real parties-in-interest. *Id.* at 3. Patent Owner and Pioneer currently are engaged in a patent infringement lawsuit in parallel with the patent infringement lawsuit between Patent Owner and Petitioner. *Id.* AV receivers, networked Blu-Ray players, and home theater systems from Pioneer and Petitioner are alleged to infringe claim 1 of the '652 Patent. *Id.* Thus, according to Patent Owner, Pioneer and Petitioner are aligned with respect to claim construction and invalidity of the claims asserted in the district court litigation. *Id.* at 3-4. Patent Owner also argues that Petitioner's counsel in this proceeding has spoken on behalf of Petitioner and Pioneer at a district court technology

⁶ Case IPR2013-00593.

tutorial directed to the '652 Patent. *Id.* at 4. Finally, Patent Owner states that Pioneer's counsel agreed to be bound by the outcome of this proceeding if the district court would agree to stay the district court litigation. *Id.* at 4-5; Ex. 2008.

We are not persuaded that Pioneer is a real party-in-interest in this matter. A determination as to whether a non-party to an *inter partes* review is a real party-in-interest is a "highly fact-dependent question," based on factors such as whether the non-party "exercised or could have exercised control over a party's participation in a proceeding" and the degree to which a non-party funds, directs, and controls the proceeding. Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,759-60 (Aug. 14, 2012). In other words, the question before us is whether there is a non-party "at whose behest the petition has been filed" or a relationship "sufficient to justify applying conventional principles of estoppel and preclusion." *Id.* at 48,759.

On the record currently before us, we are not persuaded that Pioneer is in position to exercise control over Petitioner's involvement in this proceeding. It is common for one lawyer to speak on behalf of multiple parties at a technology tutorial. Often, this is done for efficiency purposes and by itself does not signify control over the various entities in the lawsuit. In addition, while Pioneer and Petitioner both may be interested in the patentability of the '652 Patent claims, this does not mean that the parties have the same interests. Litigation alliances may arise for numerous reasons, including, but not limited to, parties having a similar perspective on one or more issues in a case. The existence of such alliances alone generally does not rise to the level that would require naming the ally/co-defendant as a real party in interest. Office Patent Trial Practice Guide, 77 Fed. Reg.

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