

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,
Petitioner,

v.

CHESTNUT HILL SOUND INC.,
Patent Owner.

Case IPR2015-01465
Patent 8,725,063 B2

Before RAMA G. ELLURU, DAVID C. McKONE,
and JOHN F. HORVATH, *Administrative Patent Judges*.

McKONE, *Administrative Patent Judge*.

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

I. INTRODUCTION

A. Background

Apple, Inc. (“Petitioner”) filed a Petition (Paper 2, “Pet.”) to institute an *inter partes* review of claims 1–61 of U.S. Patent No. 8,725,063 B2 (Ex. 1001, “the ’063 patent”). Chestnut Hill Sound Inc. (“Patent Owner”) filed a Preliminary Response (Paper 8, “Prelim. Resp.”). Pursuant to 35 U.S.C. § 314, in our Decision to Institute (Paper 14, “Dec.”), we instituted this proceeding as to claims 1–61.

Patent Owner filed a Patent Owner’s Response (Paper 21, “PO Resp.”), and Petitioner filed a Reply to the Patent Owner’s Response (Paper 28, “Reply”). After Petitioner filed its Reply, Patent Owner filed a statutory disclaimer of claims 6–8, 28–30, 32–34, and 59–61. Paper 32; Ex. 2116. *See also* 1434 OG 120 (Jan. 10, 2017). Thus, claims 1–5, 9–27, 31, and 35–58 remain pending in this *inter partes* review.

An oral argument was held on October 12, 2016. Paper 38 (“Tr.”).

Petitioner relies on the testimony of Melvin Mercer, Ph.D. (Ex. 1003, “Mercer Decl.”). Patent Owner relies on the testimony of Daniel Wigdor, Ph.D. (Ex. 2109, “Wigdor Decl.”).

We have jurisdiction under 35 U.S.C. § 6. This Decision is a final written decision under 35 U.S.C. § 318(a) as to the patentability of the challenged claims. Based on the record before us, Petitioner has demonstrated, by a preponderance of the evidence, that claims 1–5, 9–27, 31, and 35–58 are unpatentable.

B. Related Matters

The '063 patent is the subject of *Chestnut Hill Sound, Inc. v. Apple Inc.*, Civil Action No. 1:15-cv-00261 (D. Del). Pet. 1; Paper 4, 1.

The '063 patent also was the subject of *Apple Inc. v. Chestnut Hill Sound Inc.*, Case IPR2015-01464 (PTAB). Pet. 1; Paper 4, 1. The Board denied institution of an *inter partes* review in that proceeding. IPR2015-01464, Paper 10.

C. References Relied Upon

U.S. Patent No. 6,563,769 B1, issued May 13, 2003 (Ex. 1006, “Van Der Meulen” or “VDM”);

U.S. Patent No. 6,334,157 B1, issued Dec. 25, 2001 (Ex. 1009, “Oppermann”);

U.S. Publication No. 2003/0167318 A1, published Sept. 4, 2003 (Ex. 1010, “Robbin”);

U.S. Patent No. 7,606,790 B2, issued Oct. 20, 2009, filed Mar. 3, 2004 (Ex. 1014, “Levy”);

U.S. Patent No. 6,093,880, issued July 25, 2000 (Ex. 1015, “Arnalds”).

D. The Instituted Grounds

We instituted *inter partes* review based on the following specific grounds (Dec. 28–29):

Reference(s)	Basis	Claim(s) Challenged
VDM	§ 103(a)	1–5, 10–16, 19, 22–26, 31, 35, 36, 38–46, 51, 52, 54–58 ¹
VDM and Oppermann	§ 103(a)	9, 27, 37, 53
VDM and Robbin	§ 103(a)	17, 20, 47, 49
VDM and Arnalds	§ 103(a)	18, 48
VDM and Levy	§ 103(a)	21, 50

E. The '063 Patent

The '063 patent describes an audio entertainment system. Figures 1 and 2B, reproduced below, illustrate an example:

¹ As noted above, Patent Owner has disclaimed claims 6–8, 28–30, 32–34, and 59–61. Paper 32, 2; Ex. 2116.

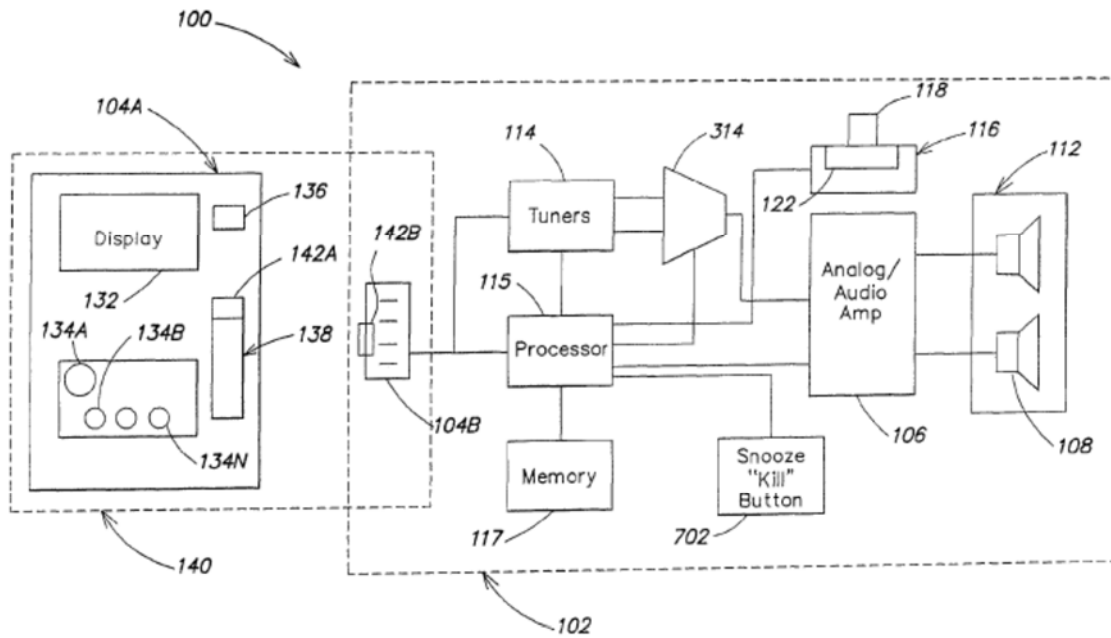


FIG. 1

Figure 1 is a block diagram of an entertainment system. Ex. 1001, 5:33–34.

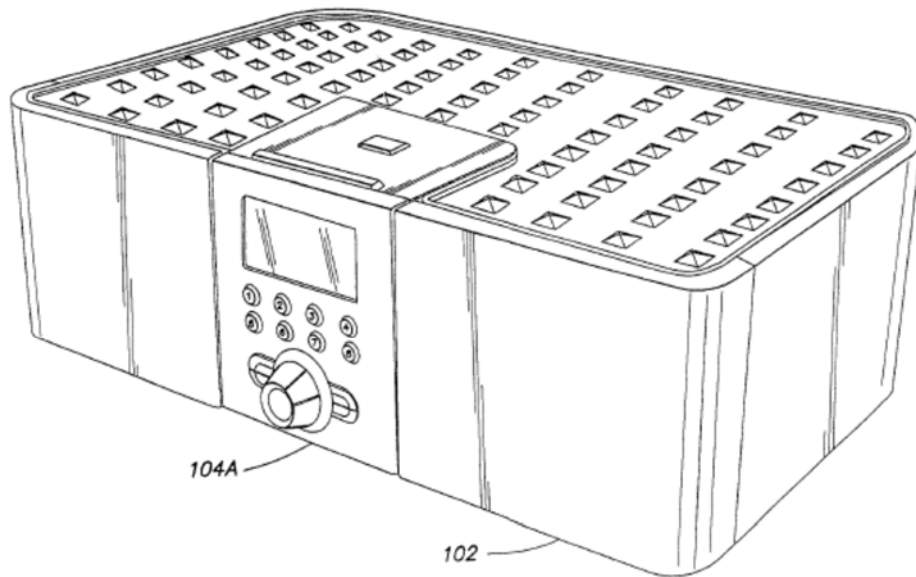


FIG. 2B

Figure 2B is a pictorial view of the entertainment system. *Id.* at 5:37–39.

Entertainment system 100 includes base unit (table unit) 102 and control sub-assembly 104. *Id.* at 6:31–34. Base unit 102 includes audio amplifier 106, speakers 108, AM/FM tuner 114, and signal source interface sub-assembly 116 for connecting to one or more detachable devices (Auxiliary Source Modules, or “ASMs”) 118. *Id.* at 6:34–41. Examples of ASM 118 include an MP3 player, such as an iPod, and a satellite radio receiver. *Id.* at 6:43–52, 11:66–12:17. When ASM 118 is plugged into interface sub-assembly 116, ASM 118 supplies audio signals to audio amplifier 106 under the control of processor 115. *Id.* at 6:52–55. For example, if ASM 118 supplies an audio signal in digital format, the audio signal first is routed through processor 115, which includes a decoder. *Id.* at 6:55–61. According to the ’063 patent:

When a network adapter is used (wired or wireless), the system may control a remote device (personal computer, etc.) which can then act as a server of music and other files to the base unit (e.g., from Apple Computer’s iTunes service or the like) or as a streaming audio source. With appropriate decoder software executing on processor 115 or another processor (not shown), the device can play songs provided in various music formats, such as WAV, MP3, WMA, and AAC, among others.

Id. at 6:64–7:5.

Control sub-assembly 104 includes detachable control unit 104A and interface 104B. *Id.* at 6:41–43. Detachable control unit 104A includes display device 132, input devices 134A–134N, and wireless transceiver 136. *Id.* at 7:7–9. In a first mode, detachable control unit 104A is docked in interface 104B. *Id.* at 7:18–22. In a second mode, detachable control unit 104A is undocked from the base unit and communicates with the base unit using wireless transceiver 136. *Id.* at 7:28–34, 11:57–60.

Claim 1, reproduced below (additional paragraphing supplied), is illustrative of the claimed subject matter:

1. A method of using a media device, comprising:
configuring the media device to operate in a first mode and in a second mode, selectively, wherein
 - (A) when in the first mode, the media device performs the operations of
 - (1) displaying, on a display of the media device, a list of digital media content stored on said media device,
 - (2) receiving from a user an indication to play a selected digital media content from among the displayed list of content, and
 - (3) playing the selected digital media content on the media device; and
 - (B) when in the second mode, the media device performs the operations of
 - (1) operatively connecting the media device with (a) a separate, selected first media source via at least in part an internet or with (b) a separate, selected second media source via a local network, to permit the media device to effect, at least in part, operation of the selected media source, and
 - (2) sending, at least in part wirelessly, a media content control signal from the media device to the selected media source, said control signal causing the selected media source to download or stream media content responsive to the media content control signal from the selected media first or second source to a media output unit, for outputting via a media output unit that is separate from said media device,

whereby the user selectively controls the first media source and/or the second media source for content downloading or streaming.

II. ANALYSIS

A. Claim Construction

We interpret claims of an unexpired patent using the broadest reasonable construction in light of the specification of the patent in which they appear. *See* 37 C.F.R. § 42.100(b); *Cuozzo Speed Techs., LLC v. Lee*, 136 S. Ct. 2131, 2155–56 (2016). Claim terms generally are given their ordinary and customary meaning, as would be understood by one of ordinary skill in the art in the context of the entire disclosure. *See In re Translogic Tech., Inc.*, 504 F.3d 1249, 1257 (Fed. Cir. 2007).

1. Terms including “causing,” “responds,” “responsive,” and “in response to”

Claim 1 recites:

a media content control signal from the media device to the selected media source, said control signal causing the selected media source to download or stream media content responsive to the media content control signal from the selected media first or second source to a media output unit.

Independent claims 22, 31, and 51 include similar recitations.

As to these terms, Patent Owner did not propose express constructions in its Preliminary Response, but argued that “[t]he media source must respond to the control signal by directing the media content to the media output unit separate from the media device. If a system requires intervening input in order for the media content to reach the output unit, it does not meet this limitation.” Prelim. Resp. 12. In the Institution Decision, we noted that

Patent Owner did not explain what it meant by “intervening input.” Dec. 8. Nevertheless, we considered Patent Owner’s evidence, including citations to the Specification and the prosecution history, and declined to read into the claims a requirement that content be downloaded or streamed directly to a media output unit, without encountering intervening input. *Id.* at 8–11.

In its Response, Patent Owner maintains its position and attempts to clarify it. Specifically, Patent Owner argues that the claims require that “the actions of the media source in response to the command be sufficient to direct the downloaded/streamed data to the separate output device.” PO Resp. 22. In support, Patent Owner cites to Dr. Wigdor, who repeats this argument. Ex. 2109 ¶ 24. Referring to the language of claim 22, in particular, Patent Owner continues:

claim 22 states that the content is downloaded or streamed **to** the media output device as the **response** of the media source to a command. Axiomatically, if other actions are required for the media content to arrive at the output unit, the downloading or streaming is not being downloaded or streamed **to** the media output device as the **response** of the media source.

PO Resp. 22. Patent Owner then distinguishes the claim language from a scenario in which an intervening device (retriever 370 of VDM) receives content from a content source (archive 391 of VDM) and sends it to a media output unit (rendering device 380 of VDM). *Id.* at 24. In that instance, Patent Owner argues, “the destination of the archived content in response to a request to retrieve the content from the archive 391 is not the rendering device 380 but, rather, retriever 370.” *Id.*; *see also id.* at 31 (“Specifically, to meet the claim, the second media source must **respond** by downloading or streaming . . . **to** a media output unit separate from the media device. For the claimed response to occur, the second media source must, in response to

a command, direct the downloaded or streamed data to the output unit.”); Tr. 38:14–16 (“[I]f the retriever is the one that is actually sending it to the output unit, then there is not a media source responding and streaming it to the output unit.”). At the oral argument, Patent Owner argued that, in order to download or stream content “to a media output unit,” a media source would have to embed the content address information for the media output unit into the streamed content. Tr. 40:3–10.

Petitioner replies that Patent Owner improperly seeks to insert into the claims a requirement that the content be sent “directly” from a media source to a media output device. Reply 7. Petitioner argues that claim differentiation raises a presumption that a “direct” downloading or streaming requirement is incorrect. *Id.* at 7–8. In particular, claim 6 depends from claim 1 and recites “wherein in the second mode, the selected media source downloads or streams the selected media content to the media device and the media device sends said media content to an output unit that is separate from the media device for outputting.” Dependent claims 28, 32, and 59 add similar requirements to the other independent claims. According to Petitioner, the independent claims, thus, encompass the situation in which a media source first downloads or streams media content to the media device and the media device then sends the media content to an output unit. Reply 8.

At the oral argument, Patent Owner argued that claims 6, 28, 32, and 59 are improper dependent claims because they claim more broadly than, and would include embodiments excluded by the underlying independent claims. Tr. 46:24–47:1, 48:5–11, 48:19–49:3. As noted above, Patent

Owner has disclaimed claims 6, 28, 32, and 59, as well as additional claims depending from them.²

We are not persuaded by Patent Owner’s arguments. As Petitioner asserts, we presume that claim 1 is broad enough to encompass the limitations of claim 6. Under the doctrine of claim differentiation, “dependent claims are presumed to be of narrower scope than the independent claims from which they depend.” *Howmedica Osteonics Corp. v. Zimmer, Inc.*, 822 F.3d 1312, 1323 (Fed. Cir. 2016). Thus, we presume that “said control signal causing the selected media source to download or stream media content responsive to the media content control signal from the selected media first or second source to a media output unit,” as recited in claim 1, encompasses the situation in which “the selected media source downloads or streams the selected media content to the media device and the media device sends said media content to an output unit that is separate from the media device for outputting,” as recited in claim 6.

“However, claim differentiation is a rebuttable presumption that may be overcome by a contrary construction dictated by the written description or prosecution history.” *Howmedica*, 822 F.3d at 1323. As explained in a case cited by Patent Owner, “dependent claims cannot broaden an independent claim from which they depend” and, thus, “it would be inappropriate to use the doctrine of claim differentiation to broaden [an independent claim] to include a limitation imported from a dependent claim.” *Enzo Biochem Inc. v. Applera Corp.*, 780 F.3d 1149, 1156–57 (Fed. Cir. 2015). In this case,

² Patent Owner does not contend that the act of disclaiming a dependent claim would negate or otherwise affect an application of the doctrine of claim differentiation.

Patent Owner has not offered (nor have we found) persuasive evidence from the Specification or prosecution history to suggest that claim 1 be construed to require that a content source directly address a media output unit or otherwise direct content to the media output unit without intervening input. As to a requirement that a media source embed address information in the content downloaded or streamed, Patent Owner admits that “[t]hat level of detail is not described in the specification.” Tr. at 41:1–2. Thus, we are not persuaded that this requirement should be read into the claims.

In sum, Patent Owner has not introduced evidence that persuades us that we should deviate from the ordinary meaning of these claim terms and has not overcome the presumption that claims 1, 22, 31, and 51 are broader than claims 6, 28, 32, and 59, respectively. On the full record, we maintain that these claim terms do not require express construction and decline to import into them a requirement that a media source direct content to a media output unit without intervening input.

2. *“first mode” / “second mode”*

Claim 1 recites “configuring the media device to operate in a first mode and in a second mode, selectively.” Claims 22, 31, and 51 include similar recitations.

In the Preliminary Response, Patent Owner argued that Petitioner, in alleging that the prior art taught a “first mode” and “second mode,” improperly grouped together “disparate operations” that “occur at **different** times, in response to **different** interactions, using **different** software components” into a single mode. Prelim. Resp. 25. According to Patent Owner, Petitioner’s analysis was deficient because it did not address “the

required connection between the operations in the second mode.” *Id.* In our Institution Decision, we determined that Patent Owner did not cite to persuasive evidence supporting this reading of the claim language and, accordingly, rejected it. Dec. 23–24.

In its Response, Patent Owner again proposes constructions for “first mode” and “second mode.” Specifically, Patent Owner contends that

a person of ordinary skill in the art would have understood that configuring to operate in two different modes, selectively, as recited in the claims, requires both modes to be made available for selection, and when one of the modes is selected . . . some different manifestation of the operation of software occurs.

PO Resp. 42. According to Patent Owner, “the claims of the ’063 patent should be read to require that two modes are available, and that a mechanism is available to select between them.” PO Resp. 41.

Petitioner, on the other hand, argues that this claim language simply means that a media device behaves differently based on the selected mode, either by playing media from a local media source in the “first mode,” or by playing media from a remote media source in the “second mode.” Reply 16–17. Asked to clarify its position at the oral argument, Petitioner argued that “the mode is actually a descriptor of when steps are engaged, but it is not actually an entity unto itself.” Tr. 7:9–11. “So when a device is engaging in displaying, receiving and playing local content, for instance, then a first mode would be implicated And similarly when a device is engaged in operatively connecting and sending the content, . . . then it would be engaged in the second mode” *Id.* at 7:16–21.

The claim language itself does not require that multiple modes be made available to a user for selection or presenting the user with a

mechanism to make a selection. Rather, the claim language requires configuring a device to operate in first and second modes, e.g., by allowing the selection of locally stored or remotely stored content. Nevertheless, Patent Owner advances extrinsic and intrinsic evidence that it contends supports its proposed interpretation of these limitations. We address this evidence below, and explain why it is not persuasive.

Citing to dictionary definitions, Patent Owner argues that “[t]he dictionary definition of ‘mode’ indicates that the modes be perceptible: ‘a way or manner of acting, doing, happening, or existing; kind; form; **manifestation**; state of being.’” PO Resp. 42 (quoting Ex. 2112, 955). According to Patent Owner, the claims require something “that a user would recognize as a mechanism to make a choice,” as opposed to the prior art, which “manifests no change when there is operation in what the Petition alleges [are] different modes.” *Id.* Patent Owner continues, “[a] person of ordinary skill in the art would have understood ‘select’ to mean ‘pick[ing] out from a number by preference.” PO Resp. 42 (quoting Ex. 2113, 1374). These definitions, however, do not resolve the dispute, as they provide equal support for Petitioner’s position. For example, a mode simply could be “a way or manner of acting, doing, happening, or existing,” supporting Petitioner’s position that the claimed modes are descriptors that identify different behaviors.

Patent Owner also relies on other language in the claims to support its position. As the Federal Circuit has stated, “the context in which a term is used in the asserted claim can be highly instructive.” *Phillips v. AWH Corp.*, 415 F.3d 1303, 1314 (Fed. Cir. 2005) (en banc). In particular, and using claim 22 as its example, Patent Owner argues:

[C]laim 22 requires that the digital media device be configured to perform specific operations **when** in one of two modes, requiring that the mode be selected **prior to**, not contemporaneously with, performance of the specific operations recited in the claims. If selection of content in VDM is interpreted as also selecting a mode as the Petition argues, the limitations of claim 22 related to selecting content **when** in the first mode and **when** in the second mode cannot be met.

PO Resp. 44. According to Patent Owner, “[t]hese actions, which occur in each mode, are a part of the way each mode is manifested when it is selected.” *Id.* at 43.

Patent Owner’s position in its Response does not distinguish clearly from Petitioner’s. Patent Owner, asked to clarify its position at the oral argument, gave conflicting statements of its proposed constructions for “first mode” and “second mode.” First, Patent Owner argued that the claims do not require a change in the media device’s configuration based on the user’s choice of a first mode or a second mode:

JUDGE McKONE: What you are saying is that the claim requires that when a user selects a mode, the device must reconfigure itself to operate in that mode?

MR. WALSH: No, I’m saying sort of the opposite, is that there are two selections going on in the claims. One is the selection between modes and one is the user selection from the interface.

Tr. 55:14–20. Patent Owner then contradicted this argument:

MR. WALSH: . . . All that is necessary to differentiate VDM is that the claim be interpreted such that when the user makes a selection through the user interface, the device has to be configured to behave differently based on what mode it is in.

JUDGE McKONE: And why isn’t that shown in Van Der Meulen? If a user selects a song on a hard drive versus when the user selects a song that is on a local CD player, doesn’t the device behave differently based on that selection?

MR. WALSH: So it will behave differently but it is not configured before that selection is made to behave differently.

56:12–23.

Patent Owner also cites to the Specification in support of its position, arguing that the “disclosure in the ’063 Patent of a device configured for operation in a first mode and a second mode, selectively, by manifesting a choice to a user is indicative of how one of skill in the art would have understood that phrase in the claims.” PO Resp. 40. Patent Owner’s citations, however, do not support its constructions.

Patent Owner first points to Figure 2A of the ’063 patent, arguing that it depicts buttons (e.g., “iPod 3”) and that, when such a button is pressed, the system presents the selected iPod mode to the user. PO Resp. 38–39. Patent Owner pairs Figure 2A with Figure 7, which Patent Owner argues shows “Mode for iPod” having been selected. *Id.* Patent Owner, however, does not explain how Figure 7 shows a system configured in a particular mode, specifically a mode to download or stream content from an iPod. The ’063 patent describes Figure 7 as a “front view of the unit of FIG. 6, showing a top panel open to receive an ASM.” Ex. 1001, 5:52–53. Patent Owner cites to no description in the ’063 patent explaining Figure 7 (we find no reference to Figure 7 in the Detailed Description). In particular, Patent Owner points to no description supporting its argument that pressing an “iPod 3” button in Figure 2A results in what is shown in Figure 7.

Similarly, Patent Owner cites to Figures 14 and 15 of the ’063 patent, arguing that they “provide examples of different user interfaces in different modes.” PO Resp. 39. The ’063 patent, however, describes Figures 14 and 15 as follows:

With reference to FIGS. 14 and 15, there are shown, respectively, examples of display screens whereon radio stations “presets” have been mapped to eight soft button labels indicating how the soft buttons will operate when pressed (FIG. 14) and whereon an alphabetical keypad arrangement is mapped as an alternative for use in navigating a song index, for example (FIG. 15).

Ex. 1001, 10:40–46. This description does not support Patent Owner’s positions that a user must select (and perceive the selection of) a mode and the device must be reconfigured upon such a selection.

Finally, both parties argue that the prosecution history, in particular the same passage, supports its respective position. PO Resp. 41; Reply 16. Specifically, in amending the then-pending independent claims to recite configuring a media device to operate in a first mode “and in” a second mode “selectively” (e.g., then-pending claim 33, Ex. 1002, 207), the applicant argued: “The independent claims have further been amended to add emphasis that the device is operable at times in the first mode and at times in the second mode, but not exclusively in just a single mode.”

Ex. 1002, 215 n.3. As with the Specification, this passage does not support a construction of “configuring the media device to operate in a first mode and in a second mode, selectively,” that requires a user to select the mode (and perceive the selection), or that the selection causes a system reconfiguration. Instead, we determine that it supports Petitioner’s position that the recited modes are designators identifying differences in system behavior.

In sum, we have considered the ordinary meaning of the claim terms, in the context of the remaining claim language; the description in the Specification; the prosecution history; and dictionary definitions. None of this evidence supports a construction of “configuring the media device to operate in a first mode and in a second mode, selectively,” that requires a

user to select the mode (or perceive the selection), or that the selection causes a system reconfiguration. Rather, the evidence supports Petitioner's position that the two modes are descriptors that identify different behaviors, with the behavior of each mode specified by other language in the claims.

3. *“operatively connecting the media device with (a) a separate, selected first media source via at least in part an internet or with (b) a separate, selected second media source via a local network”*

Claim 1 recites “operatively connecting the media device with (a) a separate, selected first media source via at least in part an internet or with (b) a separate, selected second media source via a local network.” Claims 22, 31, and 51 include similar recitations. In the Institution Decision, we determined that this claim language “only requires operatively connecting with one media source, although it could be either a first media source or a second media source.” Dec. 12. The parties do not challenge this construction. Pet. 2–3; PO Resp. 18. In particular, Patent Owner “applied the claim interpretations applied in Board’s Institution Decision, but is not waiving the right to argue that those claim interpretations are improper.” PO Resp. 18 n.4. On the complete record, we maintain our construction.

4. *“a list of digital media content stored on said media device”*

Claim 1 recites “displaying, on a display of the media device, *a list of digital media content stored on said media device.*” Claim 31 includes a similar recitation.

Patent Owner argues that “[t]he ‘list of digital media content stored on said media device’ cannot contain digital media content that is *not* stored on

said media device.” PO Resp. 47. According to Patent Owner, relying on Dr. Wigdor’s testimony, interpreting such a list to permit digital media content stored on more than one media device would be unreasonable. *Id.* at 47–48 (citing Ex. 2109 ¶ 47). Dr. Wigdor largely repeats Patent Owner’s argument. Ex. 2109 ¶47. Asked to explain its position at the oral argument, Patent Owner stated that “just a normal reading of the claims, you wouldn’t say that an interface that shows two different things is a list of that one thing.” Tr. 59:14–17. Patent Owner, however, could not identify any disclosure, in the Specification, of displaying a list including *only* the content stored on a single device. Tr. 60:1–5.

Petitioner responds that, because the term “list” can be modified with qualifiers such as “exclusive, or closed, or open,” the term “list” by itself need not be an exclusive list. Tr. 80:12–24. We agree with Petitioner that the broadest reasonable interpretation of “list” can be exclusive or non-exclusive. This is consistent with the Specification, which describes an example in which a database of content on an iPod is created in the memory of the base unit. Ex. 1001, 14:41–57. The information in the database can be used to list songs to enable selection and playback of those songs on the base unit. *Id.* at 14:58–15:1. The Specification further states that “it is also possible, technically, copyright law permitting, to download the song file into memory (semiconductor, hard drive or optical, for example) in the base unit and to play it from there.” *Id.* at 15:1–4. Thus, consistent with Petitioner’s reading of “list,” the Specification describes selection of a song from a list that includes songs stored both in the iPod and in the base unit.

On the complete record, we conclude that “a list of digital media content stored on said media device” can include digital media content that is not stored on said media device.

5. *“user selectively controls”*

Claims 1 and 22 each recite “whereby the user selectively controls the first media source and/or the second media source for content downloading or streaming.” Claims 31 and 55 both similarly recite “whereby the user selectively controls the first media server and/or the second media server for content downloading or streaming.” In the Institution Decision, we determined that “whereby the user selectively controls the first media [source/server] and/or the second media [source/server] for content downloading or streaming” does not require that a user select between and send control signals to both of two separate media sources. Dec. 15. Neither party challenges this determination, and we maintain it on the complete record.

B. Asserted Grounds of Unpatentability

A claim is unpatentable under 35 U.S.C. § 103(a) if the differences between the claimed subject matter and 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.” 35 U.S.C. § 103(a). We resolve the question of obviousness on the basis of underlying factual determinations, including: (1) the scope and content of the prior art; (2) any differences between the claimed subject matter and the prior art; (3) the level of skill in the art; and

(4) objective evidence of nonobviousness, i.e., secondary considerations. *See Graham v. John Deere Co.*, 383 U.S. 1, 17–18 (1966). “[T]he strength of *each* of the *Graham* factors must be weighed in every case and must be weighted en route to the final determination of obviousness or non-obviousness.” *WBIP, LLC v. Kohler Co.*, 829 F.3d 1317, 1328 (Fed. Cir. 2016).

In an obviousness analysis, some reason must be shown as to why a person of ordinary skill would have combined or modified the prior art to achieve the patented invention. *See Innogenetics, N.V. v. Abbott Labs.*, 512 F.3d 1363, 1374 (Fed. Cir. 2008). A reason to combine or modify the prior art may be found explicitly or implicitly in market forces; design incentives; the “interrelated teachings of multiple patents”; “any need or problem known in the field of endeavor at the time of invention and addressed by the patent”; and the background knowledge, creativity, and common sense of the person of ordinary skill. *Perfect Web Techs., Inc. v. InfoUSA, Inc.*, 587 F.3d 1324, 1328–29 (Fed. Cir. 2009) (quoting *KSR Int’l Co. v. Teleflex Inc.*, 550 U.S. 398, 418–21 (2007)).

1. Level of Skill in the Art

Relying on Dr. Wigdor’s testimony, Patent Owner contends that a person of ordinary skill in the art “would have had at least a Bachelor of Science degree in electrical engineering or computer science and at least two years of experience in the design of networked multimedia systems.” PO Resp. 6 (citing Ex. 2109 ¶ 12). Petitioner does not propose a level of ordinary skill. Nevertheless, Petitioner’s expert, Dr. Mercer, testifies as to a level of skill in the art that is not substantially different from Patent Owner’s

proposal. Ex. 1003 ¶ 19. On the complete record, we adopt Patent Owner’s statement of the level of skill in the art.

2. *Objective Indicia of Nonobviousness*

In evaluating whether an invention would have been obvious, “[s]uch secondary considerations as commercial success, long felt but unsolved needs, failure of others, etc., might be utilized to give light to the circumstances surrounding the origin of the subject matter sought to be patented.” *Graham*, 383 U.S. at 17–18. It is Patent Owner’s burden to introduce evidence supporting such objective indicia, see *Novo Nordisk A/S v. Caraco Pharm. Labs., Ltd.*, 719 F.3d 1346, 1353 (Fed. Cir. 2013), and Petitioner’s ultimate burden of persuasion, see 35 U.S.C. § 316(e). Objective indicia should be considered along with all of the other evidence in making an obviousness determination. See *Eurand, Inc. v. Mylan Pharm. Inc. (In re Cyclobenzaprine Hydrochloride Extended–Release Capsule Patent Litig.)*, 676 F.3d 1063, 1076–77 (Fed. Cir. 2012) (“It is to be considered as part of all the evidence, not just when the decisionmaker remains in doubt after reviewing the art.”) (citing *Stratoflex, Inc. v. Aeroquip Corp.*, 713 F.2d 1530, 1538–39 (Fed. Cir. 1983)). According to the Federal Circuit, “objective considerations of non-obviousness must be considered in every case.” *WBIP*, 829 F.3d at 1328.

Patent Owner does not state that it is relying on objective indicia to evidence nonobviousness. Nevertheless, Patent Owner makes several statements in the “Introduction” section of its Patent Owner Response that could be construed as arguments to that effect. PO Resp. 1–2. Specifically, Patent Owner contends that the ’063 patent is “based on research and

development from an award winning George[™] system developed” by Patent Owner and that, when launched, the George system “quickly achieved critical acclaim, winning a Best of Show award at the Macworld tradeshow, a ‘Play of the Year’ award from Macworld Magazine, and PC Magazine’s Editor’s Choice Award.” PO Resp. 1. Patent Owner argues that the George system “was widely distributed through Petitioner’s stores and other retailers like Best Buy.” *Id.* Patent Owner relies on a two-page document purporting to be a press release, by Patent Owner, discussing the awards. Ex. 2101. However, Exhibit 2101, Patent Owner’s only cited evidence, offers almost no information about the details of the George system or the awards. Thus, Patent Owner’s evidence is insufficient for us to ascertain the relevance (if any) of the George system, and its alleged success, to the claims of the ’063 patent.

Patent Owner further contends that, in related litigation, Patent Owner asserts that Petitioner used prelaunch meetings with Patent Owner to learn about the George system and copy the invention. PO Resp. 2. Patent Owner does not cite to evidence supporting this argument. Thus, we are unable to ascertain the relevance of alleged prelaunch meetings between Petitioner and Patent Owner to the obviousness allegations in this proceeding.

On the complete record, Patent Owner has not met its burden of introducing sufficient evidence of objective indicia of nonobviousness. Nevertheless, we weigh what evidence Patent Owner has introduced and find that it does not evidence nonobviousness.

3. *Obviousness over VDM*

Petitioner contends that claims 1–5, 10–16, 19, 22–26, 31, 35, 36, 38–46, 51, 52, and 54–58 would have been obvious over VDM. Pet. 3.

a. *Scope and Content of the Prior Art - Overview of VDM*

VDM describes a “virtual jukebox,” connected to a network and including storage media and playback devices, that provides a system for collecting, cataloging, archiving, and retrieving music. Ex. 1006, Abstract. Figure 1, reproduced below, illustrates an example:

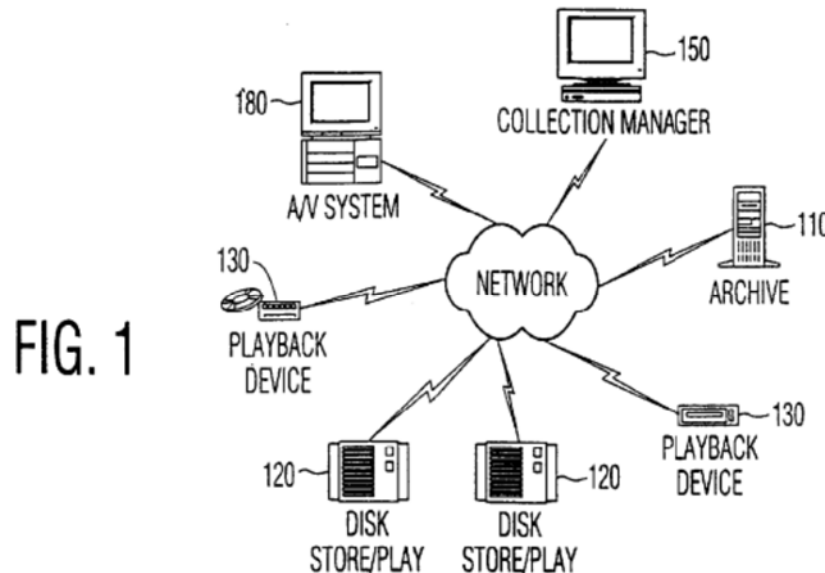
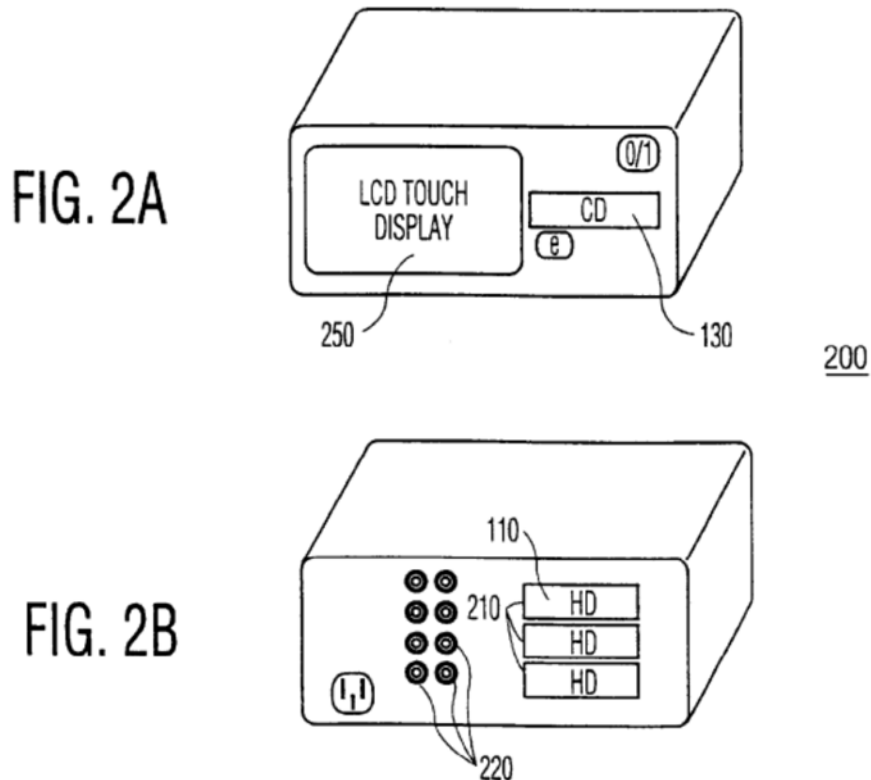


Figure 1 is a block diagram of a network comprising a collection management system. *Id.* at 2:36–38.

In Figure 1, network 100 includes an archive set of files on one or more hard disk drives 110, one or more combination storage and playback devices 120 (e.g., a disk array), one or more playback devices 130 (e.g., CD, DVD, tape, and record players), and audio/video system 180 for presenting material played from devices 110, 120, and 130. *Id.* at 2:59–3:21.

Collection manager 150 includes a user interface that provides access to storage devices 110, 120. *Id.* at 3:10–13.

A combination of these components can be included in an integrated system, such as shown in Figures 2A and 2B (reproduced below), in which a single device has both storage and playback capabilities. *Id.* at 3:22–27.



Figures 2A and 2B are front and back views, respectively, of a collection management system. *Id.* at 2:40–41. In figure 2A, CD player 130 is shown as part of integrated system 200. *Id.* at 3:52–53. Control manager 150, using conventional disk operating system techniques, can store recordings at directly addressable storage locations on hard disk drive 110 located in one of the bays 210 shown in Figure 2B. *Id.* at 4:9–16. A user interacts with control manager 150 using LCD touch display device 250. *Id.* at 3:65–67. Interconnections 220 can be used to connect to additional devices on a

network. *Id.* at 3:54–55. Networked storage devices can include, for example, a server or an Internet site. *Id.* at 2:61–3:1.

Entry and retrieval of media from a catalog is illustrated in Figure 4, reproduced below:

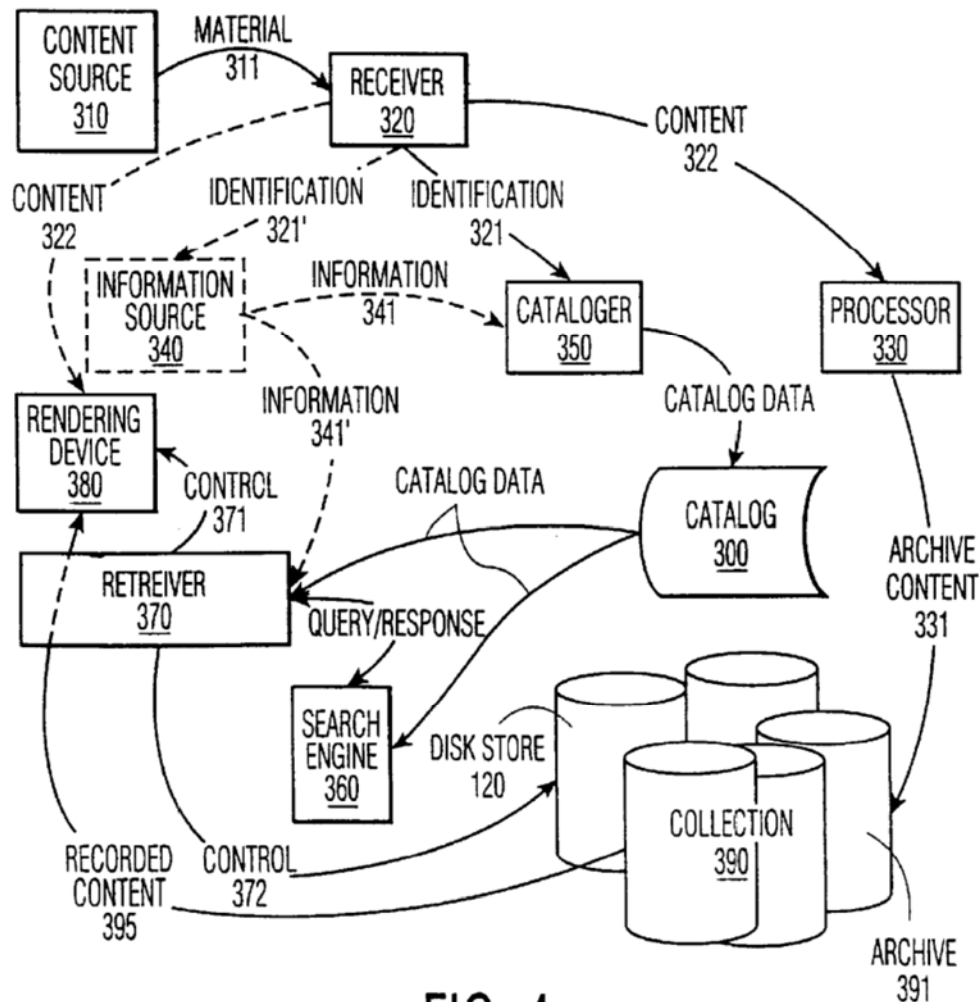


FIG. 4

Figure 4 is a block diagram and flow chart of a collection management system. *Id.* at 3:45–46. Catalog 300 contains information about media stored in storage devices 110, 120, or other storage devices on the network 100 shown in Figure 1, including an identification 301 of each recording and

a locator 302 identifying where the recording is located. *Id.* at 2:61–3:1, 4:26–36. Information is entered into catalog 300 by cataloger 350 and retrieved from catalog 300 by search engine 360 and retriever 370. *Id.* at 4:62–64. Cataloger 350 and retriever 370, together, correspond to collection manager 150, shown in Figure 1. *Id.* at 4:64–66.

The operation of cataloger 350 to add media to an archive is described with respect to content source 310, which may correspond to playback device 130 (shown in Figure 1), integrated with the system of Figure 2 or connected via external connection 220. *Id.* at 5:3–13. When content source 310 is played, receiver 320 receives material 311 (e.g., recorded audio information) and identification information from information source 340 (e.g., a user can enter text input about the material or an Internet site can provide information about the material). *Id.* at 5:15–32. Cataloger 350 receives the identification of the material and any other information (e.g., identification 301 and locator 302) and catalogs it in catalog 300. *Id.* at 5:35–44, 7:23–51. The media content 322 itself is processed and stored in an archived collection 390. *Id.* In an “archive while playing back” or “auto-archive” mode, the content 322 is sent contemporaneously to rendering device 380 for playback. *Id.* at 6:17–31, 7:66–8:3.

To play content that has been catalogued in catalog 300, a user selects an entry from a list of content provided by retriever 370. *Id.* at 7:53–56. Retriever 370 uses catalog 300 to identify where in collection 390 the content is located (e.g., using locator 302). *Id.* at 7:53–57. Retriever 370 instructs rendering device 380 to accept input from the appropriate device in collection 390 (e.g., disk store 120) by sending rendering device 380 control information 371. *Id.* at 8:8–16. Retriever 370 instructs the source

referenced by locator 302 (e.g., disk store 120 or archive 391) to play the identified content via control 372. *Id.* at 8:17–19. Retriever 370 receives the archived recorded content 395 and provides it to rendering device 380, either directly or after processing the content to put it in an appropriate format (e.g., MPEG or NTSC). *Id.* at 8:20–33.

b. Independent claims 1, 22, 31, and 51

Regarding claim 1, Petitioner contends that VDM’s collection manager 150 is a “media device”; A/V System 180 (Figure 1) or rendering device 380 (Figure 4) is a “media output unit”; playback device 130 (Figure 1) or content source 310 (Figure 4) is a “first media source”; and collection 390 (including disk store 120 and archive 391) is a “second media source.” Pet. 8–9, 12, 22; Reply 3–14. VDM explains that the collection manager can connect to an amplifier and a set of speakers, for example, for rendering recorded information. Ex. 1006, 3:59–62. Patent Owner does not contest that collection manager 150 is a “media device” and that A/V System 180 and/or rendering device 380 is a “media output unit.” On the complete record, we find that VDM teaches a “media device” and a “media output unit that is separate from said media device.” We address a “first media source” and a “second media source” in more detail below.

Claim 1 further recites a first mode, wherein:

- (A) when in the first mode, the media device performs the operations of
 - (1) displaying, on a display of the media device, a list of digital media content stored on said media device,

- (2) receiving from a user an indication to play a selected digital media content from among the displayed list of content, and
- (3) playing the selected digital media content on the media device.

As to claim 1's "first mode," Petitioner cites to VDM's disclosure of a user selecting content through LCD touch display 250 (the recited displaying and receiving) of integrated system 200, and rendering the content stored on hard drive 110 (the recited playing). Pet. 10–11, 13–16. As Petitioner notes (Pet. 11), VDM explains that the system can include an integral amplifier and speaker system. Ex. 1006, 3:62–64. Thus, the digital media content can be played on the media device. As to "displaying . . . a list of digital media content stored on said media device," Petitioner points to integrated device 200, including an integral hard drive, and further notes that LCD touch display 250 can display a user interface depicting a carousel of disks that a user can rotate, through titles, artists, and other information, using control arrows (depicted in Figs. 7A and 7B of VDM). Pet. 14–15.

Patent Owner argues that Petitioner points to the same list, depicted in Figure 7A of VDM, to show both a list of digital media content stored on the media device and to show selection of a second mode by choosing a remotely stored song also appearing on that list. PO Resp. 47. Patent Owner argues that "[b]y pointing to one interface for these two different functions, the Petition imposes inconsistent requirements on that interface." *Id.* As explained in Section II.A.4 above, the recited "list" is not precluded from containing songs stored on other devices. Thus, Patent Owner's argument is unpersuasive.

On the complete record, we find that VDM teaches the “displaying,” “receiving,” and “playing” operations of the media device “when in the first mode,” as recited in claim 1.

Claim 1 further recites “(B) when in the second mode, the media device performs the operations of (1) operatively connecting the media device with (a) a separate, selected first media source via at least in part an internet.” Petitioner contends that VDM’s playback device 130/content source 310, connected to receiver 320, is a first media source. Pet. 12 (annotated FIG. 4), 18, 20–21. Petitioner cites to VDM’s claims 1 and 6 to show that a content source connected to a “receiver” (recited in VDM’s claim 1) can be “an Internet site” (recited in VDM’s claim 6). Pet. 12. We find that VDM teaches “operatively connecting the media device with (a) a separate, selected first media source via at least in part an internet.”³

Claim 1 also recites “(B) when in the second mode, the media device performs the operations of (1) operatively connecting the media device . . . with (b) a separate, selected second media source via a local network, to permit the media device to effect, at least in part, operation of the selected media source.”

³ In the Institution Decision, we declined to decide whether Petitioner’s evidence shows that the alleged first media source receives “a media content control signal,” as recited in claim 1. Instead, we determined that claim 1 only requires a showing in the prior art of connecting with a first media source “or” a second media source, but not necessarily both. Dec. 12. As explained in Section II.A.3, neither party challenges this construction and we maintain it. We explain below that Petitioner has proved its case through its evidence of a second media source receiving a media content control signal.

Petitioner argues that VDM's collection manager operatively connects with storage devices (second media sources) via a network. Pet. 17. In Figure 4, Petitioner points to the storage devices of collection 390, such as disk store 120, as examples of second media sources. *Id.* at 21–23. As Petitioner points out (Pet. 17–18), and as shown in Figure 1 of VDM, various storage devices (archive 110, disk store 120, playback device 130) can connect to collection manager 150 via a network. Petitioner argues that “downloading content from a server over a network involves the client (in this case the media device) requesting the content from the server, which is the client ‘effecting operation’ of the server.” *Id.* at 18. On this evidence, we find that VDM teaches “operatively connecting the media device . . . with (b) a separate, selected second media source via a local network, to permit the media device to effect, at least in part, operation of the selected media source,” as recited in claim 1.

Claim 1 further recites:

(B) when in the second mode, the media device performs the operations of . . . (2) sending . . . a media content control signal from the media device to the selected media source, said control signal causing the selected media source to download or stream media content responsive to the media content control signal from the selected media first or second source to a media output unit, for outputting via a media output unit that is separate from said media device.

As explained in Section II.A.3 above, Petitioner only need show this limitation for the selected media source, which can be either the first media source or the second media source. The parties dispute whether VDM shows this limitation for the alleged second media source.

Petitioner contends that VDM's control 372 (shown in Figure 4) is a media content control signal. Pet. 21–22. As shown in Figure 4, control 372 is sent from retriever 370 (part of collection manager 150, the media device) to collection 390, which includes disk store 120 and archive 391 (examples of the alleged second media source). Ex. 1006, 8:8–23. When a member of collection 390 receives control 372, it plays the recorded content 395, which is output to rendering device 380 (the media output unit). *Id.* at 8:17–27. Retriever 370 instructs the rendering device to take its input from the selected source via control signal 371. Retriever may or may not convert the data received from the collection 390 before sending it to rendering device 380. *Id.* at 8:19–34. Specifically, retriever 370 provides the data to rendering device 380 in a “suitable format,” for example providing the content “directly to the rendering device 380 as the recorded content 395” or by first “perform[ing] the appropriate translation” of the data. *Id.*

Patent Owner responds by addressing two examples of alleged second media sources, disk store 120 and archive 391.⁴ First, in the Patent Owner Response, Patent Owner argued that the claimed media content downloaded or streamed from the second source must be digital. PO Resp. 22. Patent Owner argued that the output of disk store 120 is analog and, therefore, does

⁴ Although Petitioner presents its arguments as to claim 1 and incorporates that analysis as its arguments for independent claims 22, 31, and 51 (Pet. 33–36), Patent Owner presents most of its responsive arguments in reference to claim 22 and incorporates that analysis as its arguments for claims 1, 31, and 51 (PO Resp. 7, 45–47). Patent Owner's arguments, however, are directed primarily to limitations that are substantially similar among each of claims 1, 22, 31, and 51. We address these limitations with reference to claim 1, although our analysis applies equally to the corresponding terms of claims 22, 31, and 51.

not meet the download or stream requirements of claim 1. *Id.* at 25–28. In a related argument, Patent Owner contended that the content output from disk store 120 is delivered by an analog path different from the path taken by the output of archive 391 (which Patent Owner concedes is digital). *Id.* at 28–30. At the oral argument, however, Patent Owner agreed that, as a factual matter, the best reading of VDM is that all content retrieved or downloaded from collection 390 is digital and passes through retriever 370, whether it be from disk store 120 or archive 391. Tr. 71:20–72:17. Thus, Patent Owner concedes that the output of disk store 120 is digital and is delivered via the same path (through retriever 370) as the output of archive 391. Accordingly, Patent Owner’s arguments that disk store 120 outputs analog content are moot.⁵

As to archive 391, another alleged example of a second media source, Patent Owner argues that VDM does not teach this limitation because “the destination of the archived content in response to a request to retrieve the content from the archive 391 is not the rendering device 380 but, rather, **retriever** 370.” PO Resp. 24.

As explained in Section II.A.1 above, this limitation does not include a requirement that a media source direct content to a media output unit

⁵ Patent Owner argues that the Institution Decision improperly intermingled aspects of disk store 120 and archive 391. PO Resp. 35–36. Specifically, Patent Owner would attribute VDM’s control 372 to disk store 120 and the responsive presentation of recorded content 395 to archive 391. *Id.* at 36. This argument also is moot, as it is a variation of the argument that disk store 120 and archive 391 send data in different formats through different paths, the argument Patent Owner has conceded.

without intervening input. Thus, Patent Owner's arguments are not persuasive.

As shown in Figure 4 of VDM, Retriever 370, a part of the alleged media device, sends control 372 to collection 390, which includes disk store 120 and archive 391 (alleged examples of a second media source).

Ex. 1006, 8:8–33. Control 372 causes one of the members of collection 390 (e.g., archive 391) to download or stream content, shown as arrow 395, responsive to control 372. *Id.* That content is downloaded or streamed to rendering device 380 (which Patent Owner does not contest is a media output unit that is separate from the media device containing retriever 370) via retriever 370 (as shown by arrow 395, including the dashed portion). *Id.* On this evidence, we find that control 372 is a “media content control signal,” as recited in claim 1. Likewise, we find that VDM teaches

sending . . . a media content control signal from the media device to the selected media source, said control signal causing the selected media source to download or stream media content responsive to the media content control signal from the selected media first or second source to a media output unit, for outputting via a media output unit that is separate from said media device,

as recited in claim 1.

Claim 1 further recites sending the media content control signal “at least in part wirelessly.”

Petitioner concedes that VDM does not explicitly disclose sending a media content control signal wirelessly. Pet. 23. Nevertheless, Petitioner argues that wireless transmission would have been obvious. *Id.* at 23–25. Petitioner argues that VDM itself suggests wireless transmission in its use of lightning bolts to represent connections among components in Figure 1. *Id.* at 23–24. Petitioner further lists several references that it argues show

that “wireless networking techniques were well known and in widespread use in communications networks.” *Id.* at 25 (citing Exs. 1005, 1007, 1011–12). According to Petitioner, a skilled artisan would have modified VDM to use wireless techniques “to provide users of the network with ‘increased mobility’ and ‘flexibility’ when accessing the network,” and “to lessen ‘the need for expensive wiring or rewiring’ in the generic network of [VDM].” *Id.* (quoting Ex. 1012, 2:3–9; Ex. 1013 ¶ 6). Patent Owner does not dispute these allegations.

We are persuaded by Petitioner’s evidence and argument. On the complete record, we find that using wireless networking to send media content control signals would have been no more than combining prior art elements according to known methods to yield predictable results. *See KSR Int’l co. v. Teleflex Inc.*, 550 U.S. 398, 417 (2007) (“[I]f a technique has been used to improve one device, and a person of ordinary skill in the art would recognize that it would improve similar devices in the same way, using the technique is obvious unless its actual application is beyond his or her skill.”).

Claim 1 also recites “configuring the media device to operate in a first mode and in a second mode, selectively.” Petitioner contends that VDM teaches this limitation because its system “selects between playing the media stored locally on the media device (the first mode) and playing media from sources remote from the media device (the second mode) based on whether the user selects media that is stored locally or remotely from the media device.” Pet. 13.

Patent Owner argues that “VDM displays nothing that a user would recognize as a mechanism to make a choice and manifests no change when

there is operation in what the Petition alleges [are] different modes,” and that “[t]he system of VDM is not configured to operate selectively in one of two modes because it does not provide the user with any choice to make such a selection.” PO Resp. 42–43.

As explained in Section II.A.2 above, “first mode” and “second mode” are descriptors that identify different behaviors, with the behavior of each mode specified by other language in the claims, and do not carry with them requirements that a user select the modes (or perceive the selection), or that the selection cause a system reconfiguration. Thus, Patent Owner’s arguments are not persuasive. As explained above, Petitioner’s evidence shows that when a user of VDM’s system selects media content stored locally on a media device, the media device performs the operations claim 1 (and claim 22) attributes to operating in the first mode and when the user selects media content stored remotely, the media device performs the operations claim 1 attributes to operating in the second mode. Accordingly, we find that VDM teaches “configuring the media device to operate in a first mode and in a second mode, selectively,” as recited in claim 1.

Claim 1 further recites “whereby the user selectively controls the first media source and/or the second media source for content downloading or streaming.” Petitioner argues that the control of a media source is affected by a user selecting an entry from a list presented by retriever 370. Pet. 26 (citing Ex. 1006, 7:54–57). We are persuaded by Petitioner’s evidence and argument. As explained in Section II.A.5 above, this term does not require that a user select between and send control signals to both the first and second media sources. On the complete record, we find that VDM teaches this limitation by its description of a user selecting content on archive 391, a

second media source, and downloading or streaming that content to rendering device 380.

In sum, as explained above, VDM teaches each limitation of claim 1 except for sending a media content control signal “at least in part wirelessly.” Petitioner has introduced persuasive evidence that a skilled artisan would have had reasons to modify VDM to arrive at claim 1. We have weighed Petitioner’s evidence against the objective indicia of nonobviousness presented by Patent Owner. We do not find Patent Owner’s objective evidence of nonobviousness to be sufficient to overcome Petitioner’s strong *prima facie* case of obviousness. *See Wyers v. Master Lock Co.*, 616 F.3d 1231, 1246 (Fed. Cir. 2010). In sum, upon consideration of all the evidence, including the evidence in the Petition and Patent Owner’s Response, including objective indicia of nonobviousness, we conclude that Petitioner has proved by a preponderance of the evidence that claim 1 would have been obvious over VDM.

Independent claims 22, 31, and 51 are substantially similar to claim 1. We note that claims 22 and 51 do not include displaying a “list of content” or transmitting a control signal “at least in part wirelessly,” as recited in claim 1 and discussed above. As noted above, Petitioner marshals the same evidence for independent claims 22, 31, and 51, referring back to its analysis of claim 1. Pet. 33–36. Likewise, as noted above, Patent Owner presents responsive evidence and argument primarily as to claim 22, incorporating that analysis for claims 1, 31, and 51. We have considered the parties’ respective evidence and argument, including Patent Owner’s objective indicia of nonobviousness. For the reasons given for claim 1, we conclude

that Petitioner has proved by a preponderance of the evidence that claims 22, 31, and 51 would have been obvious over VDM.

c. Claims 2 and 13

Claim 2 recites “in the second mode, the media device displaying a menu having a number of user selectable content items; and in response to user selection of a particular one of the user selectable items, generating the media content control signal based upon the selected item.” Petitioner cites to VDM’s menu shown in Figures 7A and 7B, noting that this menu can be used to select content stored locally or remotely. Pet. 27. We find that VDM teaches displaying a menu with user selectable content items (Figs. 7A and 7B) and that when a user selects one of these items, the operations of the second mode are performed, including generating control 372 (the media content control signal).

Patent Owner argues that “claim 2, in context, requires that different displays be provided when the media device is in the first mode and the second mode—a list and a further menu.” PO Resp. 49. According to Patent Owner, VDM does not teach claim 2 because the system of VDM “presents the same user interface in both the first mode and the second mode and even for receiving a user selection of which mode to operate in.” *Id.*

Patent Owner’s argument for claim 2 is based on two arguments it advances for claim 1, both of which we find unpersuasive. First, Patent Owner refers to the alleged “requirement that the user be able to perceive the ‘mode’ of operation.” *Id.* As explained in Section II.A.2 above, there is no requirement that the user be able to perceive the mode of operation or the selection thereof. Second, Patent Owner refers to its argument that the “list”

of claim 1 must be exclusive and further argues that the “menu” of claim 2 must be separate from that list. PO Resp. 49–50. As explained in Section II.A.4 above, that is not a requirement of the recited “list.”

Claim 13 depends from claim 1 and adds “wherein when in second mode, operatively connecting the media device and a selected media source includes receiving user input comprising selection of said media source.” The parties’ respective arguments for claim 13 are similar for those as to claim 2. Petitioner contends that receiving a user selection, through a user interface, of media content on a remote device (regardless of whether the user knows the content is stored remotely) teaches the additional limitation of claim 13. Pet. 32–33; Reply 22–23. Patent Owner argues that, in view of Figure 2A of the ’063 patent, claim 13 requires that a user be aware that multiple sources are available and that he or she is selecting a particular remote source. PO Resp. 54–55. Once again, as explained in Section II.A.2 above (where we address, *inter alia*, Figure 2A), there is no requirement that the user be aware of the mode of operation or the selection thereof, or that the user select operation in the first or second mode prior to selecting a content item.

We have considered the parties’ respective evidence and argument, including Patent Owner’s objective indicia of nonobviousness. We conclude that Petitioner has proved by a preponderance of the evidence that claims 2 and 13 would have been obvious over VDM.

d. Claims 3, 4, 41, and 42

Claim 3 depends from claim 2 and adds “wherein the media content request command⁶ includes digital media file metadata associated with a particular digital media file containing the requested digital media content.” Claim 4 depends from claim 3 and adds “wherein the digital media file metadata includes a digital media file title.”

Petitioner points to a description of catalog 300 including identifier 301 and locator 302 associated with each recording that identifies where the recording is located. Pet. 29 (citing Ex. 1006, 4:26–29, 9:29–36). Petitioner, citing VDM’s description that the instructions of control 372 are based on locator 302, argues that control 372 includes information (metadata) from identifier 301/locator 302. *Id.* at 28 (citing Ex. 1006, 8:8–19). VDM teaches that identifier 301 and locator 302 contain various types of information, depending on the manner in which content has been stored, including a digital media file title:

The locator 302 is an identifier to a location within the collection 390 where the content 322 of the material 310 can be found. If, for example, the content 322 has been archived to a file on the archive device 391, its locator 302 is the name of the archive storage device 391 *followed by the name of the file*. If the content source 310 forms a part of the collection 390, for example a multi-disk CD storage and player device 120, the locator 302 is the name of the player 120 followed by a disk number and track number or selection number.

⁶ The term “the media content request command” does not have antecedent basis in claims 1 and 2. Nevertheless, the only reasonable way to read the term is that it refers to the “media content control signal” recited in claims 1 and 2.

Ex. 1006, 7:33–42 (emphasis added). VDM explains that control 372 includes locator 302. *Id.* at 8:8–23. We find that VDM teaches the additional limitations of claims 3 and 4.

Patent Owner does not contest Petitioner’s evidence for claim 3. Nevertheless, as to claim 4, Patent Owner argues that “control signal 372 only instructs disk store/playback device 120 to start playing at a specified disk and track location, which requires no digital media file title.” PO Resp. 51. This argument is related to Patent Owner’s argument that disk store 120 is an analog, rather than digital device, an argument Patent Owner is no longer pursuing. Moreover, this argument ignores that control 372 can be sent to archive 391, a digital storage device, and for which locator 302 is “the name of the archive storage device 391 followed by the name of the file.” Ex. 1006, 7:33–42. Thus, Patent Owner’s argument is not persuasive.

Accordingly, we conclude that Petitioner has proved by a preponderance of the evidence that claims 3 and 4 would have been obvious over VDM.

e. Claims 11, 12, 26, 44, and 54

Claim 11 depends from claim 1 and adds “wherein the media device is a portable hand-held device.” Claim 12 adds the same limitation to claim 2, claim 26 adds the same limitation to claim 22, claim 44 adds a similar limitation to claim 31, and claim 54 adds a similar limitation to claim 51.

Petitioner (Pet. 32) cites to a description in VDM of a “lower cost embodiment, such as one for portable use,” that “could include a simplified retriever 370, catalog 300, archive 391, and rendering device 380.”

Ex. 1006, 10:45–48. VDM explains that “the portable device could be

‘docked’ to a full cataloging system that includes playback and storage devices 110, 120, 130, a cataloger 350, and a processor 330 for creating the archive content 331 that can be directly transferred to the archive 391 in the portable device.” *Id.* at 10:48–53. We find that VDM’s “portable device” meets the limitation “portable hand-held device,” as recited in claims 11, 12, 26, 44, and 54.

Patent Owner provides responsive arguments with respect to claims 12 and 26, which we presume also apply to claims 11 and 54. Patent Owner argues that VDM’s “device is expressly described as being made portable by creating a device without components of the collection manager of VDM that are relied on for meeting limitations of the claims from which claims 12 and 26 depend.” PO Resp. 52. According to Patent Owner,

[t]here is no basis in VDM to assert that this simplified, portable device operated in the second mode of the claim, which requires sending a command or media content control signal via a local network that causes a remote media source to respond as recited in the claims from which claims 12 and 26 depend.

Id. at 53. Rather, Patent Owner argues, “the portable device of VDM plays only archived recordings stored locally on the device.” *Id.* at 54.

Patent Owner’s arguments are based on a misunderstanding of VDM’s disclosure. As Petitioner notes, VDM’s portable device is described as including retriever 370, albeit simplified, suggesting that the portable device accesses a network in the same manner as VDM’s principal embodiment. Reply 21. Indeed, when docked, VDM’s portable device connects to playback and storage devices 110, 120, 130, which are described elsewhere in VDM (e.g., Fig. 1) as accessible via a network. Ex. 1006, 10:48–53. As Petitioner argues, “VDM says nothing of the device lacking

network capability.” Reply 22. Based on VDM’s disclosure, we find that VDM’s portable device embodiment has the same essential functions as VDM’s principal embodiment. Thus, Patent Owner’s arguments are not persuasive.

Accordingly, we conclude that Petitioner has proved by a preponderance of the evidence that claims 11, 12, 26, 44, and 54 would have been obvious over VDM.

f. Claims 10, 23, 36, and 52

Claim 10 depends from claim 2 and adds that displaying a menu includes “displaying by the media device at least in part on a touch screen and in response, receiving user input.” Claim 23 depends from claim 22 and recites “wherein the display comprises at least in part a touch screen for receiving user selection of a media file or item.” Claims 36 and 52 include similar limitations.

Petitioner (Pet. 31) cites to disclosure in VDM that “[t]he integrated system 200 also includes an LCD touch display device 250 for interacting with the collection manager 150.” Ex. 1006, 3:65–67. We find that this teaches the additional limitations of claims 10, 23, 36, and 52.

Patent Owner argues that VDM’s Figure 1 embodiment describes the collection manager as a personal computer. PO Resp. 55–56. According to Patent Owner, because the embodiments of Figures 1 and 2 are presented as alternatives, Petitioner has not shown that the features described with respect to Figure 1 would have been present in the device of Figure 2. *Id.* at 56. We agree with Petitioner, however, that VDM describes integrated system 200 of Figure 2 as interchangeable with the personal computer of Figure 1, in

particular, because both include the functionality of collection manager 150. Reply 23; Ex. 1006 3:22–25. Thus, Patent Owner’s argument is not persuasive.

Accordingly, we conclude that Petitioner has proved by a preponderance of the evidence that claims 10, 23, 36, and 52 would have been obvious over VDM.

g. Claims 35, 39, and 40

Claim 35 depends from claim 31 and adds “in the first mode, the digital media player displaying a menu having a number of user selectable items; and in response to a user selecting a particular one of the user selectable items, playing the selected item.” Petitioner cites VDM’s user interface, shown in Figures 7A and 7B, as showing a number of user selectable items, and argues that selecting an item causes the system to obtain and play the item. Pet. 14–15, 27. Patent Owner does not contest Petitioner’s allegations as to claim 35. We find that VDM teaches the additional limitations of claim 35.

Claim 40 depends from claim 35 and adds “wherein the selected item is associated with a particular one of the digital media files.” Petitioner cites to evidence showing that a selection made using VDM’s user interface corresponds to a particular file, as indicated by identifier 301 and locator 302. Pet. 28. Patent Owner does not contest Petitioner’s allegations as to claim 40. We find that VDM teaches the additional limitation of claim 40.

Claim 39 depends from claim 35 and adds “wherein when in first mode, the digital media player sends a digital media stream to an output unit separate from said the [sic] digital media player.” Petitioner argues that

VDM teaches sending media content to rendering devices over a network.

Pet. 24. As explained above, VDM states that its rendering devices can be integrated with the collection manager (Ex. 1006, 3:59–60, 3:62–64) or separated from the collection manager (*id.* at 3:16–21, 3:60–62, Fig. 1). We find that VDM teaches the additional limitations of claim 39.

As to claim 39, Patent Owner argues that Petitioner’s contentions reference those provided for claims 6 and 1 directed to the media device’s operation in the claimed second mode and, thus, Petitioner has not shown evidence applicable to the media device’s operation in the first mode recited in claim 39. PO Resp. 56–57. Petitioner responds that “the configuration of VDM’s rendering device as either integrated or separate from the media device is agnostic as to whether VDM is operating in the first or second mode.” Reply 24. We agree with Petitioner. We read VDM’s teaching as equally applicable to the claimed first and second modes. Thus, Patent Owner’s argument is not persuasive.

Accordingly, we conclude that Petitioner has proved by a preponderance of the evidence that claims 35, 39, and 40 would have been obvious over VDM.

a. Claims 5, 14–16, 19, 24, 25, 38, 43, 45, 46, and 55–58

Claims 5, 14, 15, 19, 24, 25, 38, 43, 45, 46, and 55–58 recite that certain system components are “co-housed” with, “remote” from, or “separate” from other components. As Petitioner shows (Pet. 29, 33, 36), each of these configurations is contemplated by VDM. Patent Owner does not contest these allegations. On the complete record, we find that VDM

teaches the additional limitations of claims 5, 14, 15, 19, 24, 25, 38, 43, 45, 46, and 55–58.

Claim 16 depends from claim 1 and recites “wherein in second mode, the second media source is a server on a local network.” As Petitioner points out (Pet. 17), VDM teaches that a media source can be connected to a media device by “a network, such as to provide access to files on a server.” Ex. 1006, 2:66–3:1. Patent Owner does not contest these allegations. On the complete record, we find that VDM teaches the additional limitation of claim 16.

We have considered the parties’ respective evidence and argument, including Patent Owner’s objective indicia of nonobviousness. In particular, we have analyzed Petitioner’s arguments and citations to evidence showing that dependent claims 5, 14–16, 19, 24, 25, 38, 43, 45, 46, and 55–58 are taught by VDM, Pet. 27–36, and agree with that analysis. Patent Owner does not present separate arguments for these claims. We conclude that Petitioner has proved by a preponderance of the evidence that claims 5, 14–16, 19, 24, 25, 38, 43, 45, 46, and 55–58 would have been obvious over VDM.

4. Obviousness over VDM and Oppermann (claims 9, 27, 37, and 53)

Claims 9, 27, 37, and 53 each add the use of voice prompts by the media device in connection with displaying a menu or user selection of menu items.

Oppermann describes a computer architecture that includes an “accessibility aid” for manipulating user interface elements that “can convey

[a] description to a disabled user via means which they can perceive, such as through audible output.” Ex. 1009, 4:31–40. Petitioner contends that a skilled artisan would have incorporated such a feature into VDM’s system “in order to allow disabled persons, such as the blind, to interact with the user interface and use the media management system.” Pet. 38. We find that Petitioner’s stated reason to combine VDM and Oppermann has rational underpinning. Patent Owner does not present separate arguments for these claims.

We have considered the parties’ respective evidence and argument, including Patent Owner’s objective indicia of nonobviousness. We conclude that Petitioner has proved by a preponderance of the evidence that claims 9, 27, 37, and 53 would have been obvious over VDM and Oppermann.

5. Obviousness over VDM and Robbin (claims 17, 20, 47, 49); VDM and Arnalds (claims 18 and 48); and VDM and Levy (claims 21 and 50)

Claims 17, 20, 47, and 49 add wherein the first or second media source/server is an iTunes server. Claims 18 and 48 add wherein the second media source/server is a Realplayer server. Claims 21 and 50 add wherein the first media source/server is a Rhapsody server.

Robbin teaches synchronizing a media device with a server such as an iTunes server. Ex. 1010 ¶¶ 37, 49, 51. Arnalds teaches transmitting audio over the Internet using Real Audio (i.e., a Realplayer server). Ex. 1015, 2:55–65. Levy teaches obtaining music content from various commercial sources, including Rhapsody. Ex. 1014, 7:37–41. Petitioner contends that each of these commercial services would have been predictable sources of media content for VDM’s system. Pet. 39–45.

Patent Owner does not contest Petitioner's allegations as to claims 18, 21, 48, and 50. Based on Petitioner's evidence, we find that a skilled artisan would have sought out Realplayer and Rhapsody as predictable examples of media sources and servers.

As to claims 17, 20, 47, and 49, Patent Owner contends that Robbin only discloses automatically synchronizing media content stored on a personal computer with media content stored on a media player and "does not describe downloading or streaming content to an output unit, separate from the media player." PO Resp. 58. According to Patent Owner, "[a]t most, Robbin is an example of how content might be obtained for operation in the first mode, but provides no description of the iTunes server responding to a command as required in the second mode of the claims." *Id.*

Patent Owner's argument is an attack on Robbin individually without consideration of the combined teachings of VDM and Robbin, an approach the Federal Circuit has counseled against. *See In re Merck & Co., Inc.*, 800 F.2d 1091, 1097 (Fed. Cir. 1986) ("Non-obviousness cannot be established by attacking references individually where the rejection is based upon the teachings of a combination of references."). We find that, like Realplayer and Rhapsody, iTunes is a predictable example of a media source and server, and that a skilled artisan would have combined Robbin's teaching of such a server with the teachings of VDM.

We have considered the parties' respective evidence and argument, including Patent Owner's objective indicia of nonobviousness. We conclude that Petitioner has proved by a preponderance of the evidence that:

Claims 17, 20, 47, and 49 would have been obvious over VDM and
Robbin;

Claims 18 and 48 would have been obvious over VDM and Arnalds;
and
Claims 21 and 50 would have been obvious over VDM and Levy.

III.CONCLUSION

Petitioner has demonstrated, by a preponderance of the evidence, that:
Claims 1–5, 10–16, 19, 22–26, 31, 35, 36, 38–46, 51, 52, and 54–58
are unpatentable as obvious over VDM;

Claims 9, 27, 37, and 53 are unpatentable as obvious over VDM and
Oppermann;

Claims 17, 20, 47, and 49 are unpatentable as obvious over VDM and
Robbin;

Claims 18 and 48 are unpatentable as obvious over VDM and
Arnalds; and

Claims 21 and 50 are unpatentable as obvious over VDM and Levy.

IV. ORDER

For the reasons given, it is

ORDERED, based on a preponderance of the evidence, that claims 1–
5, 9–27, 31, and 35–58 of U.S. Patent No. 8,725,063 B2 are held
unpatentable; and

FURTHER ORDERED, because this is a final written decision, the
parties to this proceeding seeking judicial review of our Decision must
comply with the notice and service requirements of 37 C.F.R. § 90.2.

IPR2015-01465

Patent 8,725,063 B2

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