

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SPOTIFY USA INC.,
Petitioner,

v.

MANUEL TIJERINO,
Patent Owner.

IPR2025-01280
Patent No. 9,146,925

PATENT OWNER PRELIMINARY RESPONSE

I. INTRODUCTION

Spotify’s petition mischaracterizes the ’925 patent [EX. 1001], relies on non-analogous art, and fails to show a reasonable likelihood of success. District court litigation is already far advanced, with more than 120 docket entries, multiple discovery rulings, and binding admissions on record. Although the case has now been transferred from the Eastern District of Louisiana to the Southern District of New York ([EX. 2107] Dkt. 107), the litigation continues on the existing record. Spotify has even admitted in district court discovery ([EX. 2121] Dkt. 121) that it enters licenses and pays royalties—conceding practice of the asserted claims. These developments further support discretionary denial under 35 U.S.C. § 314(a).

II. STATEMENT OF THE INVENTION

- The ’925 patent [EX. 1001] is a **server-side networking invention** [EX. 2028 Doc.28-2 Exhibit I Claims 1 Drawing], not a jukebox or audio invention.
- Core inventive step: **real-time distribution of new media from the server to clients (jukeboxes, TVs, cell phones, browsers, etc.)**, with server-side logging.
- Clients (jukeboxes, TVs, computers, phones) are only examples — all claims are written on the **server processor**.
- Examiner initially rejected as “jukebox obvious” (tracking stats [EX. 2001 Doc 1-4 Exhibit D]) and (real-time media distribution [EX. 2001 Doc 1-4 Exhibit E]) “prior-art”. However after clarification, examiner allowed claims because of real-time distribution of “**new media**” — the inventive step.
- Audio processing disclosures (e.g., RMS, normalization) are incidental rather than central to the invention. Even if dependent claims directed to audio processing were set aside, the core inventive concept of server-side, real-time distribution of

“**new media**” remains intact — and the scope of the patent would in fact broaden.

III. CLAIM CONSTRUCTION (A–F + CONCLUSION)

For purposes of this Preliminary Response, Patent Owner applies the broadest reasonable interpretation (BRI) standard, consistent with the intrinsic record. Petitioner’s interpretations of key claim terms are overly narrow and mischaracterize the invention. Proper constructions confirm that Petitioner’s cited references do not disclose all claim limitations.

A. “Processor”

- **Patent Owner’s construction:** The claimed “processor” is the **server processor** that distributes “**new media**”, tracks metadata, tallies play counts, and receives payment indications.
- **Support:**
 - Independent claims 1 and 3 are drafted entirely in terms of **server-side operations**.
 - The specification of the [EX. 2002] parent ’942 application describes a **server making media instantly available for playback across clients**.
 - Jukeboxes, TVs, or phones [EX. 1001 col. 8 ln. 17] are merely **client endpoints** [EX. 1001 col. 8 ln. 28-30]; the invention resides on the **server side**.
- **Deficiency in Petitioner’s view:** Petitioner conflates the client jukebox with the claimed processor, importing limitations that do not exist in the claims.

B. “Venue”

- **Patent Owner’s construction:** “Venue” means a **territory of use** (e.g., U.S., Puerto Rico, EU) under licensing frameworks [EX 2001 Document 1-5 P-13 ASCAP & BMI licenses], not a physical bar or jukebox location.
- **Support:**
 - **Claim 20 of the [EX. 2002] parent application (US20080275942A1):** recites a “*venue*” directly, confirming that territorial use was part of the

original disclosure.

- **Detailed Description ¶13 of the [EX. 2002] parent application:** states the invention exposes artists “**from any state, city, or country to a worldwide audience**, currently not implemented by internet jukeboxes.” This shows “venue” was conceived broadly as territorial reach, not a physical machine. In other words from anywhere to anywhere.
- **Amended Complaint ([EX. 2032] Dkt. 32 at 30–33):** “...*In my claim, ‘venues’ refer to ‘territories,’ the different legal jurisdiction related to PRO licensing (ASCAP licensing), although these terms are explicitly interpreted within the context of my patent description and my exhibit in the licensing terms on the complaint. ([EX. 2001] See Doc. 1-5, Ex. I). Demonstrates PRO license terms, 1.14 ‘Territory’ means the United States of America, its territories, dependencies and possessions and the Commonwealth of Puerto Rico. This proves that PRO licensing is territorial.*”.
- **[EX. 2001] Exhibit I (Doc. 1-5):** BMI/ASCAP license terms confirm that “Territory” is defined as the U.S., its territories, dependencies, and Puerto Rico.
- **[EX. 2032] Dkt. 32 (same section):** “...*music licensing and public performance rights, such as those handled by PROs like ASCAP and BMI, inherently operate on a territorial basis. Since music performance rights are territorial and public, a territory can be reasonably interpreted as a public venue...*”
- The patent specification itself discusses distribution across multiple client types and regions, not confined to a bar.

Industry Context:

At the time of Patent Owner’s continuation filing in 2010, ASCAP and BMI did not yet offer **public interactive new media licenses**. Those became widely available only in 2011. Before that, ASCAP issued **experimental licenses** on a case-by-case basis. Pandora, for example, held an ASCAP experimental license (2005–2010), but it covered only **non-interactive radio**.

By contrast, Patent Owner held one of ASCAP's first **new experimental licenses for interactive server distribution** in the 2009-2010 window [EX. 2001 Doc 1-5 P.13 of 13 our renewed ASCAP experimental licenses for our new media server www.check1two.com] — the only ASCAP license Patent Owner ever held. This was not a JLO (Jukebox Licensing Office) bar license, not a non-interactive radio license, but an **interactive new media license** aligned with the very system described in the [EX. 1001] '925 patent.

Patent Owner's work directly anticipated, and in part drove, ASCAP's adoption of interactive new media licensing. Petitioner's attempt to reduce "venue" to a physical bar ignores both the intrinsic record and the industry history: in 2010–2011, PROs were still catching up to what Patent Owner had already invented and patented.

Deficiency in Petitioner's view:

Petitioner improperly collapses "venue" into a physical bar or jukebox location, and misreads **client-side logging of what a machine plays** as if it were **server-side tracking of what the server distributes across territories**. These are separate technical and legal regimes. Client logs fall under bar performance licenses; server distribution requires **territorial new media licenses**. Petitioner's references cannot satisfy this limitation.

Conclusion:

Thus, "venue" in the [EX. 1001] '925 patent must be understood as a *territory of use*

under licensing frameworks, not limited to a single bar or jukebox machine. This construction aligns the parent claims, the specification, and the licensing record, and defeats Petitioner’s attempt to narrow “venue” to a physical jukebox site.

C. “Automatically calculating amounts earned”

Patent Owner’s construction: This phrase means the **server automatically tallying play events** by artist and by territory, creating data that can be used to determine royalties. It does not require calculating dollar amounts, distributing funds, or reporting.

- **Support:**
 - Claim 8 of the parent application [EX 2002]: “**play count for royalties to be paid**” (US20080275942A1)
 - confirming the invention is about **play counts**, not financial accounting.
 - [EX 2032] Dkt. 32 (pp. 30–33) explains the server tracks plays to replace manual reporting;
 - PROs may later use this data for licensing compliance, but the claim imposes no limitation to pay or report.
 - **The deficiency in Petitioner’s view:** Petitioner inflates this limitation into a “royalty settlement engine,” which is not present in the claim language. While the specification includes an optional **client-side** embodiment FIG 5.8 discussing **PayPal** settlement (Col 9, ln 29) or showing jukebox money earned (col 9. 46–50), the core invention **real-time new media distribution** and the asserted claims are directed to **server-side tallying of play counts (Col 5, ln 40-42)**, not financial settlement.
 - **[EX. 2121] Dkt. 121 admission:** Spotify admitted in response to RFA 44 ([EX. 2121] Dkt. 121 Exhibit E) that it enters licenses and pays royalties. This binding admission demonstrates that Spotify practices the system as claimed and undercuts Petitioner’s fabricated [EX. 2013] Dkt. 13 “automatic calculation limitation.”

D. “Receiving indications of payment”

- **Patent Owner’s construction:** This means the **server processor receiving a digital acknowledgment** (e.g., record entry, flag) that a tallied royalty obligation has been satisfied. It is part of the automated logging pipeline.
- **Support:**
 - The claim text: “**receiving, by the processor, indications of payment of the amount earned**”.
 - Specification and prosecution history distinguished this from jukebox bill acceptors or human cash collection.
 - [EX. 2032] Dkt. 32 clarifies this step as part of the PRO reporting pipeline — acknowledging royalty obligations in the system, not physically collecting money.
- **Deficiency in Petitioner’s view:** Petitioner conflates this digital acknowledgment with cash handling by human operators, which is inconsistent with the claims.

E. “Real-time distribution of new media”

- **Patent Owner’s construction:** “Real-time” means **server-controlled process timing** for distribution of new media once uploaded, whether **immediate** or **scheduled**.
- **Support:**
 - **Parent ’942 application [EX. 2002]:** “*...as soon as any member adds their media to their account it will be instantly available for playback*” (§13).
 - **’925 specification[EX. 1001] (col. 6, lines 15–16):** “*Any media not associated with albums will not be shown ... once the user creates an album then only the track in the album will be shown.*” This describes **server-side visibility control** — uploaded media may be hidden until released, showing process control.
 - **Amended Complaint ([EX. 2032] Dkt. 32 at 21):** “*...whether releasing music instantaneously or scheduling a future release, it’s still real-time. A system that releases music in the future still infringes.*”
 - **Prosecution history (Exhibit D, Dkt. 1 [EX. 2001]; [EX. 2032]Dkt. 32 at 58–59):** Examiner rejected claims as obvious over jukeboxes that downloaded distribution lists. Patent Owner distinguished that those systems could not distribute new media. The inventive step was **real-time distribution of new media**, which led to allowance.
- **Deficiency in Petitioner’s view:** Petitioner equates “real-time” with “instantaneous.” That is incorrect. In computing, “real-time” means **deterministic**

process control by the server. The specification, prosecution record, and litigation history all confirm that both immediate and scheduled releases are real-time.

F. “Continuation Priority and Parent Claim Support ”

The challenged '925 patent [Ex. 1001] is a continuation of U.S. Application No. 11/744,731, which published as US 2008/0275942 A1 [Ex. 2002]. Under 35 U.S.C. § 120, a continuation “shall have the same effect, as to such invention, as though filed on the date of the prior application” if it contains a specific reference and at least one inventor in common. The '925 patent properly claims priority to its parent and shares the same disclosure, so all priority rights automatically carry through. No additional showing is required; continuation priority is automatic by statute. See *Transco Prods. v. Performance Contracting*, 38 F.3d 551, 556 (Fed. Cir. 1994) (“[T]he disclosure of the parent is effectively incorporated into the continuation as if it were explicitly repeated.”).

This means that limitations and concepts first disclosed in the parent are preserved in the '925. Two are particularly relevant here:

1. Automatically calculating amounts earned.

[EX. 2002] Parent Claim 8 expressly recites “**play count for royalties to be paid**” (US2008/0275942A1), confirming that the invention is about server-side tallying of play events as the basis for **future** royalty obligations — not a financial settlement engine. The Detailed Description further describes server-side metadata storage and usage

tracking (see '925 patent [EX. 2002], col. 5 lines. 40–42: “The web service helps to track usage and session tracking to keep compliance with ASCAP licensing for popular music”). This disclosure directly supports the '925 construction that “automatically calculating amounts earned” means tallying plays, not computing dollar amounts or disbursing funds.

2. Venue as territory.

[EX. 2002] Parent Claim 20 recites “venue,” and the Detailed Description ¶ 13 explains that the invention exposes artists “**from any state, city, or country to a worldwide audience**, currently not implemented by internet jukeboxes.” This establishes that “venue” was conceived as territorial scope (state, city, country), not a physical jukebox site. This understanding is reinforced by industry licensing practice: ASCAP and other PROs define “Territory” to mean the United States and its territories (see [EX. 2032]Dkt. 32 at 30–33; [EX. 2001]Doc. 1-5, Ex. I). Thus, the intrinsic record ties “venue” to territorial licensing, not a barroom location.

Accordingly, both contested limitations — “automatically calculating” and “venue” — are rooted in the parent disclosure, carried forward into the continuation, and supported by industry licensing context. Petitioner’s attempt to narrow “venue” to a physical bar or inflate “automatic calculation” into a royalty settlement engine is inconsistent with the intrinsic record and the continuation priority chain.

Conclusion on Claim Construction

The proper constructions, consistent with the intrinsic record, are:

- Processor = server processor
- Venue = territory of use
- Automatically calculating = tallying play counts, not payments or reporting
- Receiving indication of payment = server acknowledgment, not cash handling
- Real-time = server process control (immediate or scheduled)

Under these constructions, Petitioner's cited art cannot meet the limitations of the challenged claims.

IV. PETITIONER FAILS TO MEET CLAIM LIMITATIONS (A–F + CONCLUSION)

Institution should be denied because Petitioner has not shown that its cited references disclose each and every limitation of the challenged claims. The '925 patent claims are directed to a server-side networking system for real-time distribution of **new media**, which was the inventive step that persuaded the examiner to allow the claims.

Basic tracking of plays was already known in jukeboxes, and the examiner acknowledged that during prosecution. Patent Owner explained, however, that jukeboxes only downloaded preexisting lists and could not instantly distribute new uploads in real time. That distinction secured allowance as a **principle of operation**: Davis and TouchTunes could not operate on the same principle as the claimed invention because they lacked server-side, real-time distribution of **new media**.

In the same examiner interview, after acknowledging that Davis did not disclose **new**

media, the Examiner remarked that if our **new media audio mastering limitation** was added, he would grant the claims. Patent Owner complied in the March 13, 2015 amendment. This addition reflected a technical refinement — ensuring consistent playback quality for new uploads from artists who typically lacked professional music mastering skills — but it was not the inventive step. The Office’s reasons for allowance (EX1002 at 385–386) confirm that the grant turned on **real-time server-side distribution of new media**, not the audio-processing clause.

Although the **new media disclosure alone was enough to overcome Davis**, Patent Owner also secured the processor’s automatic tallying and logging role. While not required by the Examiner, these clarifying limitations were adopted to make explicit the **operational bridge between independent artists and the broader music industry across territories**, ensuring that PRO licensing frameworks remained relevant as music moved toward **server-side, real-time “new media” distribution**. This was not new matter, but fully consistent with the parent disclosure — specifically, [EX. 2002] **parent Claim 8 (“play count for royalties to be paid”)** and [EX. 2002] **parent Claim 20 (“venue”)**, reinforced by Detailed Description ¶13, which explains that the **invention exposes artists “from any state, city, or country to a worldwide audience, currently not implemented by internet jukeboxes.”**

By contrast, Petitioner mischaracterizes the ’925 patent by treating it as a “royalty settlement engine” and ignoring the real inventive contribution: **real-time server**

distribution of new media combined with automated, server-side metadata tracking.

A. Real-time distribution of new media

Patent Owner’s initial amended claims already recited the inventive concept of **real-time distribution of new media** over a cloud-based web 2.0 server with instant transfer (**EX1002, p. 153**). Although these early claims described the function as “uploading,” Patent Owner amended the language to “real-time authoring” to better capture the inventive concept.

The Examiner, however, rejected claims 1–3 under 35 U.S.C. § 102(b) as anticipated by Davis (U.S. 2003/0135424 A1). In a Final Office Action, the Examiner mapped Davis ¶¶ [0019]–[0022], [0047]–[0048], and Fig. 3 to the elements of claim 1: “instant availability,” “instant transfer,” “royalty accounting,” and “images, video, and music” (**EX1002, pp. 165–166**). The Examiner concluded that Davis disclosed uploading music to a server, automatically sending content to connected jukeboxes, and using a billing system for artist compensation (*id.*).

In a June 7, 2012 response, Patent Owner distinguished Davis as directed to **distribution lists** created for venue operators using “strength values,” in contrast to the invention’s **real-time authoring and instant transfer by artists without third-party intervention** (**EX1002, p. 158**). Patent Owner further emphasized that Davis required

local storage of songs at the jukebox, while the claimed invention provided **instant availability from a cloud-based server** (id.).

Although these arguments distinguished the invention in substance, the Examiner maintained the rejection, stating that “once the artist uploads their media to the server, the server makes that media instantly available to internet connected jukeboxes” and requiring Patent Owner to “more clearly and distinctly define the claimed invention” (EX1002, pp. 167–168).

On March 16, 2015, Patent Owner amended claim 1 to expressly recite “real time music distribution of **new media**” (EX1002, pp. 385–386). Patent Owner explained that Davis disclosed only distribution lists from pre-existing catalogs, not automatic enabling of newly uploaded media (id.). The Examiner agreed, citing *In re Ratti*, 270 F.2d 810 (CCPA 1959), and concluded that modifying Davis to provide real-time distribution would “**change the principle of operation**” of Davis’s system (EX1002, p. 386; see also MPEP § 2143.01). On this basis, the rejection was withdrawn and the claims were allowed.

Other aspects of the claims, such as royalty accounting or audio/signal processing, were not the basis for allowance. The Examiner allowed the ’925 patent specifically because of the inventive concept of **server-side real-time distribution of newly uploaded media**. Spotify’s Petition merely rehashes the same Davis arguments that the Office already considered and rejected. Under 35 U.S.C. § 325(d), the Board should deny

institution because the same or substantially the same prior art and arguments were previously presented to the Office.

- **Claim requirement:** The server processor must distribute **new media in real time**.
- **Petitioner's citations:** Jukeboxes/audio systems that download pre-existing distribution lists or play preloaded songs.
- **Deficiency:** Updating or playing existing content is not **server-controlled distribution of newly uploaded media**. The prosecution record confirms the inventive step was **real-time distribution of new media**, not jukebox distribution list updates (Ex. D, Dkt. 1 [EX. 2001]; [EX. 2032] Dkt. 32 at 58–59). Petitioner's art lacks this.
- **Note on Nathan / TouchTunes Art (EX1006, 2006/0239131, 8,332,895):** Petitioner relies on Nathan's networked jukebox patents, assigned to TouchTunes, the very art family already cited on the face of the '925 patent and considered by the Examiner during prosecution. Nathan/TouchTunes discloses jukeboxes that download *preexisting catalog songs* after payment. It does not teach **server-side, real-time distribution of newly uploaded media** by artists, nor the inclusive publishing model claimed in the '925 patent. Patent Owner explained this distinction during prosecution, and the Examiner allowed the claims on that basis. Under 35 U.S.C. § 325(d), the Board should not revisit art the Office already considered and rejected.
- **Note on Ecast (EX1007):** Petitioner also cites U.S. Patent No. 7,107,109 B1 (Ecast), another jukebox system from the early 2000s. Like Nathan, Ecast only describes networked jukeboxes that pull from a central catalog of pre-licensed songs. Its "reporting" is limited to logging jukebox play events for billing. Ecast does not disclose or suggest **artists uploading new media to a server or real-time server distribution of that newly uploaded content across venues**. That distinction—real-time distribution of **new media**, not catalog downloads—is exactly what Patent Owner explained during prosecution and what led to allowance. Accordingly, Ecast fails for the same reasons as Nathan: it is jukebox art, not the inclusive server publishing invention claimed in the '925 patent.
- **Note on EX1011 (Nathan/TouchTunes Again):** Petitioner also cites EX1011 (U.S. Pub. No. 2004/0243482 A1), yet another Nathan/TouchTunes jukebox patent. This reference is just more of the same—jukeboxes pulling *preexisting catalog tracks* from a server and logging play

events for billing. It falls squarely into the same bucket of art the Examiner already considered and rejected during prosecution. Repackaging the same TouchTunes jukebox patents under different exhibit numbers does not make them new or more relevant. It only highlights that Petitioner has no prior art teaching **real-time server distribution of newly uploaded media**.

- **Note on Loudeye (EX1012):**

EX1012 (U.S. Patent No. 7,469,208 B1, Loudeye) is a catalog-based jukebox reporting system. It describes a central server with a pre-licensed music library, client jukeboxes requesting songs, and logging of transactions for billing and licensing. This type of “logging/reporting” art was already squarely before the Examiner during prosecution. Indeed, the Examiner initially rejected all claims over Davis and Gunaseelan, finding it obvious to collect jukebox statistics such as plays, revenues, and selections of artist information. Patent Owner overcame those rejections by explaining that the ’925 invention is not about collecting statistics on old catalogs, but about server-side, real-time distribution of **new media** uploaded by artists. Loudeye, like Davis and Nathan, fails for the same reason: it shows catalog reporting, not the inclusive new-media publishing that defined the inventive step and led to allowance.

- **Note on Kincaid (EX1013):**

EX1013 (U.S. Pub. No. 2008/0137881 A1, Kincaid) discloses techniques for normalizing the playback volume of digital audio files by applying RMS or similar measurements. It is a loudness-leveling reference, not a distribution system. Kincaid does not disclose artists uploading new media, server-controlled real-time distribution, or automated tallying of royalties. While RMS processing appears in independent claims 1 and 3 of the ’925 patent, the Examiner made clear during prosecution that the inventive step was **real-time distribution of new media**, not RMS normalization. The audio-processing limitation was added at the Examiner’s suggestion, but it was not the reason for allowance. Accordingly, even if RMS normalization were considered obvious, that finding would not erase the inventive step. At most, it would mean that removing RMS only broadens the reach of the patent while leaving intact the core invention—**server-side, real-time distribution of new media**.

B. Providing Metadata to the Client

Claim requirement: Once an artist makes new media available, the server must store and expose the new media’s metadata through an API for display by the client. The

claims expressly define the “jukebox” to include “a computer device, an internet jukebox, kiosk, set-top box, or cell phone” (’925 patent, Claim 14), confirming that “jukebox” is a broad, flexible category covering current and future client devices.

Petitioner’s citations: Dion playlists and UI displays of pre-existing libraries.

Deficiency: Petitioner’s art only describes serving metadata for pre-existing catalog entries. It does not disclose server-side provisioning of metadata for newly uploaded media that becomes instantly available to connected clients. The ’925 claims require the server to expose metadata for new uploads through an API — a feature absent from Dion’s catalog-based playlists. Narrowing “jukebox” to bar hardware, as Petitioner implies, ignores Claim 14’s explicit breadth and the specification’s inclusive design.

Spec support: The intrinsic record makes clear that “display” is not confined to old-style bar jukebox monitors. Claim 14 expressly broadens the term to include any client interface — whether a TV, touchscreen, mobile UI, VR headset, wearable, or future device. The specification likewise confirms this flexibility: “you don’t even need a Graphical Operating System since the jukebox software can run on top of the kernel” (’925 patent, col. 5, ll. 61–63). This shows that the invention was designed to operate independent of any particular graphical screen or OS. In modern terms, a “display” may even include an AI system, a human interface, or other processing layer approximating how metadata is presented — because the claims regulate server-side provisioning of metadata, not the ultimate rendering device.

Parent support: [EX. 2002] Parent Claim 8 (“play count for royalties to be paid”) and [EX. 2002] Claim 20 (“venue”), reinforced by Detailed Description ¶13 (“from any state, city, or country to a worldwide audience”), confirm that metadata was always tied to royalty tallies and territorial usage, not just static display. This establishes that metadata provisioning was designed for tracking new media across territories, not merely listing songs from pre-existing libraries.

Conclusion: Petitioner conflates static catalog playlist display with the claimed API-driven metadata provisioning for new uploads. That distinction is central: the ’925 patent requires server-side exposure of metadata for new media, ensuring it is available to clients — broadly defined as any computer, jukebox, kiosk, set-top box, or cell phone — across venues and territories. Dion only teaches catalog displays, not real-time server-side metadata exposure for **new media** uploads.

C. Tracking metadata and venue/territory

Claim requirement: The server must track metadata for new media consumption, including artist, track, venue (territory), and time of play. ’925 Claim 11 makes this explicit:

“updating by the processor a table for tracking playback of the media, wherein the table identifies the media, a venue playing the media, and a timestamp identifying the playback of the media.”

On the software side, this requires no more than new media request. When a jukebox client requests playback of a song, the server identifies the associated artist and logs the

track, the territorial venue of consumption, and the timestamp. This centralized table of playback events is the foundation for music-use reporting.

From industry practice, reporting requires these fields: **Artist Name, Song Name, Number of Plays, and Date.** The territorial field determines which PRO (ASCAP in the U.S., ARESA in Europe, etc.) is entitled to receive the usage report. Because music licensing is inherently territorial, the “venue” in Claim 11 is not a bar machine but the jurisdiction of playback.

Parent support: [EX. 2002] Parent Claim 8 (“play count for royalties to be paid”) shows that usage data was always tied to royalty consequences. [EX. 2002] Parent Claim 20 recites “venue,” and the Detailed Description ¶13 explains that the invention exposes artists “from any state, city, or country to a worldwide audience, currently not implemented by internet jukeboxes.” Together, these confirm that “venue” was conceived as territorial scope (state, city, country), not a local device log.

Petitioner’s citations: Machine ID / location snippets.

Deficiency: Petitioner’s references describe client-side jukeboxes that output a local machine ID or log a local play. That is not the claimed server-side tracking. The invention requires centralized logging of who (artist), what (track), where (territory/venue), and when (timestamp) — tied to a single media request and its associated metadata. Under BRI, “venue” means territory of use, as supported by [EX.

2002] parent Claim 20 and ¶13. Petitioner improperly narrows “venue” to a physical bar machine, ignoring the claim language and parent disclosure.

Finally, the “**automatically calculating**” limitation dovetails with '925 Claim 11. From a new media request, the server automatically determines the artist and the venue (territory) where the new media was played, tallying usage across jurisdictions. This server-side inference is categorically different from coin counters or local logs in jukebox prior art.

D. Storing in a database

Claim requirement: The server must store usage events together with metadata in a database. This includes what media was played, where it was played (venue/territory), and when it was played (timestamp).

Claim support:

- Claim 6 specifies that the metadata includes at least one of artist name, track name, or album name.
- Claim 11 makes explicit that the server updates a table for tracking playback, where the table identifies the media, the venue (territory) of playback, and a timestamp.
- Taken together, Claim 6 + Claim 11 mean the server keeps a centralized log of **which (artist) music was played, what (track/media), where it was played (venue/territory), and when it was played (timestamp/date)**. Each request generates a server-side stored entry, and this log is the basis for automatically calculating the artist’s royalties “to be paid” — exactly as described in the parent patent, Claim 8 (“the system will keep track of the member’s media and files and play count for royalties to be paid”).

Petitioner’s citations: Audio loudness statistics or file-level logging.

Deficiency: Audio characteristics are not usage logs. Petitioner’s art only addresses listener-experience (e.g., normalizing playback volume) or file handling. It does not disclose server-side tracking of playback events across territories. The claimed invention records who (artist), what (track), where (territory/venue), and when (timestamp/date), all tied to a single new media request and its associated metadata, so that royalties can later be tallied.

E. Automatically calculating amounts earned

Claim requirement:

The server automatically tallies new media request play with respects to artist and territory, as explained *sub supra* Section C (Tracking metadata and venue/territory). No requirement exists to compute dollars, distribute funds, or report music usage. This occurs as a direct result of a **client** request for playback of new media from the **server**, as described *sub supra* Section B (Providing metadata to the client). Additionally each **new media** request triggers the process again.

’925 support [EX. 1001]:

Claim 11 makes explicit that playback events are logged with media, venue, and timestamp. [EX. 1001] Column 5, lines 40–42 of the specification further confirms that the web service helps track usage and session data to ensure ASCAP licensing compliance.

Parent support [EX. 2002]:

Parent Claim 8 of US2008/0275942A1 expressly recites “**play count for royalties to be paid,**” confirming that the invention was always about automatic play tallying for future royalty obligations.

Petitioner’s citations:

Coin counters / operator revenue splits.

Deficiency:

Petitioner mischaracterizes the limitation. The [EX. 1001] ’925 Claim 11 support, the Column 5:40–42 support, the [EX. 2002] parent Claim 8 support, the *sub supra* Section B & C support, and the Amended Complaint ([EX. 2032]Dkt. 32 at 30–33) all confirm that the system replaces manual reporting by automatically logging plays whenever a client requests playback of new media. Petitioner inflates this straightforward server tally into a “royalty settlement engine,” a concept absent from the claims.

F. Receiving indications of payment (music-use reporting)

- **Claim requirement:** The server processor **receives an indication** that the tallied amount for **music-use reporting** has been acknowledged in the system (a digital entry, flag, or record). There is **no requirement** for actual money transfer, cash collection, or mandatory reporting.
- **Spec support:**
 - “...*the file was saved to the file system on the remote server ... the files’ metadata and aspects gathered were stored in the database so that you can search for it quickly. ... The web service helps to track usage and session tracking to keep compliance with ASCAP licensing for popular music.*”

- This describes **server-side tracking and acknowledgment tied to ASCAP compliance**, confirming that the “indication” is part of an automated royalty pipeline, not bar-side cash handling.
- **Deficiency:** Petitioner relies on jukebox bill acceptors and humans emptying cash boxes. That is merely an **optional embodiment** described in the [EX. 1001] spec (col. 9). The core embodiment supporting the asserted claims is [EX. 1001 col.5 lines 40-42] server-side ASCAP usage tracking. Petitioner’s art fails to disclose this limitation.

Conclusion on Claim Limitations

Petitioner’s references swap in:

- Jukebox list updates for **real-time new-media distribution**.
- Machine IDs for **territorial metadata tracking**.
- Loudness statistics for **usage databases**.
- Coin counters for **server tallying**.
- Cash collection for a **server acknowledgment tied to ASCAP music-use reporting**.

Because Petitioner fails to show all limitations in a single system, it cannot satisfy the all-limitations rule reaffirmed in *Salazar v. AT&T Mobility LLC*, 64 F.4th 1311 (Fed. Cir. 2023).

Most importantly, Petitioner ignores the true inventive step: **server-side, real-time distribution of new media**. Logging and audio-processing were later-added features, not what defined patentability. The examiner allowed the claims because Patent Owner demonstrated that prior jukeboxes only downloaded preexisting lists, whereas the invention enabled real-time distribution of new uploads.

Petitioner therefore has not demonstrated a reasonable likelihood of success under 35

U.S.C. § 314(a). Institution must be denied.

For the Board's convenience, Patent Owner provides the following chart summarizing Petitioner's Exhibits (EX1001–EX1026), their asserted use, and the reasons they fail to anticipate or render obvious the challenged claims.

EXHIBIT FAILURE CHART

Exhibit No.	Description	Petitioner's Use	Why It Fails
EX1001 – U.S. Patent No. 9,146,925 (“System and Method for Real-Time Distribution of New Media”)	The asserted patent, issued Sept. 29, 2015, from U.S. Application No. 12/804,665 (filed July 27, 2010). Claims a server-based system allowing artists to control availability of new media for real-time distribution.	Included for reference to map challenged claims.	EX1001 is the asserted patent itself, not prior art. It confirms that the Examiner considered cumulative TouchTunes/Nathan art and still allowed the claims for their inventive step in real-time new media distribution with server-side control of availability. Notably, Petitioner omits Plaintiff's [EX. 2002] parent application (U.S. Pub. No. 2008/0275942 A1, filed May 4, 2007, published Nov. 6, 2008) and [EX. 2003] worldwide PCT application (WO2008/137208 A1, filed Mar. 12, 2008, claiming priority to U.S. Provisional 60/908,484 of Mar. 28, 2007, published Nov. 13, 2008), both of which establish priority before

			Spotify's 2008/2011 commercial launches. Petitioner's failure to include these priority filings distorts the record. Thus, EX1001 itself cannot support anticipation or obviousness. Rather, it demonstrates the validity of Plaintiff's claims and the Examiner's allowance in view of the prior art.
EX1002 – File History of U.S. Patent No. 9,146,925	Official prosecution history of the '925 patent, including office actions, applicant responses, prior art cited, and Notice of Allowance.	Cited to provide context for prosecution and to suggest that additional prior art references (e.g., TouchTunes patents) could have rendered the claims obvious.	EX1002 is not prior art but the administrative record of prosecution. Far from supporting Petitioner's case, the file history confirms that the Examiner reviewed TouchTunes/Nathan jukebox art and still allowed the claims for their inventive step in real-time new media distribution with server-side control of availability. Attempts to repackage cumulative TouchTunes references now are improper under 35 U.S.C. § 325(d). The prosecution history also reflects that the Examiner understood the difference between prior jukebox models and Plaintiff's claimed system, rejecting broad obviousness combinations. Thus, EX1002 supports

			allowance and undercuts Petitioner's hindsight theory.
EX1003 – Declaration of William Rosenblatt	Expert declaration submitted by Petitioner, offering opinions on alleged obviousness of the '925 patent by combining multiple prior art references (Laut, Kincaid, Bongiovi, Dion, and Nathan-109).	Relied upon to argue that a POSITA would have combined Laut with RMS normalization and other TouchTunes jukebox references to arrive at the claimed invention.	EX1003 is not prior art and contains only attorney-directed expert opinion. Rosenblatt applies impermissible hindsight, conflating distinct concepts (e.g., RMS normalization ≠ server-side distribution of new media). His declaration is that of a paid advocate (\$650/hour), not an independent technical authority. He lacks direct experience designing jukebox or distribution systems, undermining his ability to opine on how a POSITA would view Laut or related art. Expert testimony cannot override the actual disclosures of the references or the Examiner's findings. The Examiner already considered TouchTunes art during prosecution and allowed the '925 patent for its inventive step in real-time new media distribution. Attempting to relitigate cumulative art is barred under 35 U.S.C. § 325(d), and prosecution history estoppel prevents importing limitations the claims do not require. EX1003

			therefore cannot establish anticipation or obviousness.
EX1004 – Curriculum Vitae of Rosenblatt	Curriculum vitae of Petitioner’s expert witness, listing academic background, prior consulting engagements, teaching experience, and publications.	Offered to support the credibility and qualifications of Petitioner’s expert in interpreting prior art and opining on obviousness.	EX1004 is not prior art and supplies no technical facts. An expert’s résumé cannot substitute for the disclosures of the asserted references themselves. Credibility is irrelevant where the cited references fail on their face to disclose or suggest the claimed invention. Obviousness must be based on the actual teachings of prior art under 35 U.S.C. §§ 102/103, not an expert’s self-reported credentials. Accordingly, EX1004 has no probative value in showing anticipation or obviousness of the ’925 claims.
EX1005 – U.S. Patent No. 10,373,420 (Dion et al., TouchTunes)	Patent assigned to TouchTunes covering digital jukebox features such as user registration, coupon redemption, playlist creation, and downloading of pre-licensed music content.	Cited in Ground 2 as a prior art reference for digital downloading jukeboxes, allegedly showing that aspects of Plaintiff’s claims were known in jukebox-based systems.s	TouchTunes patent. Cumulative of prior TouchTunes art already considered during prosecution. Focuses on registration, coupons, and playlist features — not server-controlled <i>real-time distribution of newly uploaded media</i> . Does not anticipate independent claims. Barred under § 325(d).
EX1006 – U.S. Patent No. 6,308,204 (Nathan et al., TouchTunes)	Patent assigned to TouchTunes disclosing methods for communications between a central server	Cited to argue that server-to-jukebox communications were known, supporting the theory that a POSITA	TouchTunes patent. Only discloses communications protocols between server and jukebox. No

	and remote jukebox terminals, covering protocol management and delivery of pre-licensed media to client devices.	would find it obvious to extend such systems toward Plaintiff's claimed invention.	teaching of RMS normalization or server-side distribution of new uploads. Examiner already considered substantially similar TouchTunes art — cumulative and fails under § 325(d).
EX1007 – U.S. Patent No. 7,107,109 (Nathan et al., TouchTunes)	Patent assigned to TouchTunes covering methods for adjusting playback volume based on root mean square (RMS) audio signal levels to normalize loudness across tracks.	Cited in Ground 2 as a reference for RMS-based volume adjustment, combined with other references to argue obviousness of the '925 claims.	TouchTunes patent directed to loudness normalization, not media distribution. Its teachings are duplicative of Kincaid (EX1012) and other audio-signal references. The invention is limited to RMS-based loudness adjustment and does not disclose or suggest real-time new media distribution. It is merely another TouchTunes variant, cumulative of art the Examiner already considered during prosecution. Reliance on this patent is improper under 35 U.S.C. § 325(d) because it adds nothing material beyond references already of record. EX1007 cannot anticipate or render obvious the challenged claims, which focus on artist-controlled, server-based distribution, not RMS volume adjustment.
EX1008 – <i>Core J2EE Patterns: Best Practices</i>	Software engineering book describing Java 2	Rosenblatt cites Chapter 8 (DAO/CRUD pattern)	EX1008 is a generic enterprise software

<i>and Design Strategies</i>, 2nd ed. (2001)	Enterprise Edition (J2EE) design patterns, including Model-View-Controller, Data Access Object (DAO), Service Locator, and other reusable enterprise components.	to argue that a POSITA would naturally implement Laut's jukebox with a DAO for database interaction, because DAO was a "well-known" best practice.	textbook, not prior art in the same field as the '925 patent. DAO/CRUD patterns were routine in any database-backed application by 2010, and their existence says nothing about jukeboxes, media distribution, or real-time uploading. It is non-analogous art — teaching enterprise application architecture, not digital media distribution systems. Its use here is pure hindsight, invoked only to patch gaps in Laut (EX1011). The fact that every website and enterprise application already used CRUD/DAO underscores its irrelevance. Moreover, because these concepts were long known and cumulative, reliance on EX1008 is improper under 35 U.S.C. § 325(d). EX1008 does not anticipate or render obvious the claimed invention, which lies in real-time new media distribution with server-side logging/tallying for royalties, not generic database access patterns.
EX1009 – <i>Modern Operating Systems</i> (Tanenbaum, 3rd ed.,	Operating systems textbook covering concurrency, process	Cited by Rosenblatt to show that concurrency, threads, and scheduling	Generic OS textbook, not prior art in the same field. Every

2008)	scheduling, memory management, file systems, and related OS concepts. Widely used for computer science education.	were well known, and to argue that a POSITA would apply OS principles to Laut's jukebox server to manage simultaneous requests.	POSITA already knew about threads and process scheduling — it adds nothing to the claims. Non-analogous art: teaches OS latency, not server-side media distribution. Misuses “real-time”: conflates CPU scheduling with the patent's “real-time distribution.” Claim 1 requires “ <i>allowing an artist to control availability of the new media</i> ” — and the spec explains this clearly: no upload = not shown; upload = shown; create an album = only album tracks show; no tracks added = nothing released; add tracks = release occurs (EX1001, col. 15–16). This is real-time process control of availability. EX1009 is irrelevant hindsight gap-filling.
EX1010 – <i>Structure and Interpretation of Computer Programs</i> (Abelson et al., MIT Press, 2nd ed. 1996)	Computer science textbook teaching functional programming using Lisp/Scheme. Covers abstract data types, recursion, higher-order functions, and table-based programming examples.	Cited by Rosenblatt to argue that tables and functional abstractions were well-known, and that a POSITA would naturally use a table to store metadata such as track, venue, or play time.	Generic CS textbook, not prior art in the same field. It teaches Lisp/Scheme programming and abstract data structures, not server-side distribution of media. Old and irrelevant: published long before the '925 filing, yet it did nothing to solve the problem of artists being excluded from digital distribution systems. Non-analogous art: addresses pedagogy in

			computer science, not media availability or distribution. Hindsight use only: Petitioner drags it in to patch gaps in Laut and Dion; the Examiner allowed the '925 because of the real-time new media distribution concept, not because “tables” were missing. By the late 2000s, Sun servers were running Java (hence JavaOne demo). Lisp was already outdated, irrelevant, and barely even ran on servers — it never solved artist inclusion in real-time distribution.
EX1011 – Laut, U.S. Patent App. Pub. No. 2004/0243482 A1	Application directed to a client-side “Internet jukebox” system located at a venue, with local catalog access and optional remote features for song selection and payment.	Cited in Ground 1 (with Kincaid and Bongiovi) as allegedly teaching “distribution of music selections” and handling of “royalty or payment” features that, when combined, purportedly satisfy the challenged claims.	Laut describes a localized jukebox system at a venue, not a server-based, real-time distribution platform. It does not disclose automatic tallying of plays for royalties to be paid in the future , which is what the '925 patent requires. At most, Laut discusses end-user tokens/credits, which are fundamentally different from the claimed server-side calculation and tallying that enables royalties “to be paid.” Laut therefore lacks the required limitations of claims 1–17, including server-based distribution and metadata tallying.

EX1012 – Kincaid, U.S. Patent No. 7,469,208 B1	Patent directed to a digital jukebox-style system involving playlist management, catalog distribution, and local storage of media for playback in a venue environment.	Cited in Ground 1 (with Laut and Bongiovi) to allegedly disclose “media catalog distribution,” “playlist creation,” and “payment/royalty features.” Petitioner argues Kincaid supplies the cataloging and distribution aspects missing from Laut.	Kincaid describes traditional jukebox playlist management and content downloads , but it does not disclose real-time distribution of new media to users across territories. Instead, it focuses on distributing preexisting catalogs and synchronizing playlists at fixed jukebox terminals. Kincaid also lacks the claimed server-side tallying/logging of plays for royalties to be paid in connection with new media distribution. At most, it covers local client-side playback, which is fundamentally different from the claimed invention’s real-time new media distribution with server-side tallying/logging . Accordingly, EX1012 cannot anticipate or render obvious claims 1–17.
EX1013 – Bongiovi, U.S. Patent App. Pub. No. 2008/0137881 A1	Application describing digital jukebox and media playback systems with enhanced sound processing and local delivery of music content. Focus is on improving venue-based jukebox experiences rather than broad server-side distribution.	Cited in Ground 1 (with Laut and Kincaid) as allegedly teaching elements of “media distribution” and “royalty/payment” features. Petitioner argues that Bongiovi supplies the content processing or distribution features missing from Laut and Kincaid.	Bongiovi is directed to sound processing and local jukebox playback , not to real-time distribution of new media across territories . It lacks any disclosure of server-side tallying/logging of plays for royalties to be paid in connection with new media. At most, it addresses how

			to enhance audio delivered to end-users at a venue, which is fundamentally different from the claimed invention's server-based distribution of new media with tallying/logging functionality . Bongiovi therefore fails to disclose the required limitations of claims 1–17 and cannot anticipate or render them obvious when combined with Laut or Kincaid.
EX1014 – Book: <i>RESTful Web Services</i> (O'Reilly Media, 2007)	Technical book introducing REST architecture and methods for building web services using standard HTTP verbs (GET, POST, PUT, DELETE). Provides general background on APIs and network service design.	Cited to supply alleged “general knowledge” of how network-based systems could deliver or request content using REST principles. Petitioner uses this as a teaching reference, attempting to fill in gaps in Laut/Kincaid/Bongiovi by showing that a person of ordinary skill would have known about REST APIs for content transfer.	This reference is general programming background about REST APIs, not a disclosure of any media distribution system . It does not describe real-time new media distribution with server-side tallying/logging . At most, it teaches the use of HTTP methods for communication, which is routine implementation detail—not the inventive concept of the '925 patent. RESTful Web Services provides no teaching of tallying plays, calculating royalties to be paid, or distributing new media in real time. Therefore, it cannot anticipate or render obvious claims 1–17 and serves only as background knowledge

			irrelevant to the claimed invention.
EX1015 – <i>Structured Computer Organization</i> (6th ed., Tanenbaum & Austin)	Textbook on computer architecture and organization. Covers abstraction layers, machine languages, interpreters, compilers, microarchitecture, instruction sets, RISC vs. CISC, and general hardware/software design principles.	Cited only as a background reference to show that a person of ordinary skill would have known general concepts of layered architecture, virtual machines, and processor-level design when building networked systems.	EX1015 is a general-purpose computer architecture textbook , not prior art in the field of “new media” distribution. It teaches academic concepts like instruction sets, virtual machines, and hardware organization — not real-time “new media” distribution or artist-controlled availability of uploaded works. References to interpreters, compilers, or layered architectures are abstract teaching tools , not concrete disclosures of the claimed invention. At most, EX1015 shows that any computer can be layered into abstraction levels. That is irrelevant to the novelty of enabling independent artists to promote themselves through real-time “new media” distribution. Generic background knowledge cannot anticipate or render obvious the ’925 patent claims (1–17).
EX1016 – Scheduling Order No. 22, E.D. La., Case No. 2:24-cv-02290	Court’s Scheduling Order entered Feb. 4, 2025, setting discovery, dispositive motion, pretrial, and trial deadlines. Discovery cutoff was Oct. 21,	Filed as a “background” reference to suggest that discovery disputes render Plaintiff’s RFAs unreliable.	[EX. 2022] Scheduling Order 22 confirms that all four sets of Plaintiff’s RFAs were timely served before the transfer order ([EX. 2107]Dkt. 107,

	2025, with bench trial set Dec. 8, 2025.	Sept. 8, 2025). The order remained in force: Spotify’s motion to vacate it was denied ([EX. 2115]Dkt. 115), and Spotify’s motion for protective order and sanctions was dismissed as moot ([EX. 2122]Dkt. 122). Within this discovery framework, Spotify also voluntarily admitted infringement conduct in RFA 44 ([EX. 2121]Dkt. 121), even while continuing to argue non-infringement in its Motion to Dismiss ([EX. 2013]Dkt. 13). Spotify’s defense relied on a fabricated “automatic calculation limitation,” misquoting the ’925 claims to suggest they require payments or reporting to artists and venues. But the claims impose no such requirement — “royalties to be paid” appears only in the parent patent’s claim 8 as a future consequence, not as a limitation. By admitting that it pays PROs and labels, Spotify destroyed its own fabricated defense and effectively conceded it practices the claimed system. Thus, EX1016 demonstrates procedural compliance
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			and judicial enforcement of discovery. It shows that Plaintiff's RFAs were valid and binding, and that Spotify's attempts to escape discovery failed. Far from undermining [EX. 2022] Plaintiff, Order 22 strengthens Patent Owner's position by locking in admissions that map directly to the invention: enabling independent artists to promote themselves through real-time new media distribution.
EX1017 – District Court Filings (Dkts. 13, 25, 28)	Briefing in the district court on Defendant's Motion to Dismiss (Dkt. 13), Defendant's Reply in support of its Motion to Dismiss (Dkt. 25), and Plaintiff's Supplemental Opposition with detailed claim charts (Dkt. 28).	Cited to argue that Plaintiff's pleadings failed to satisfy <i>Twombly/Iqbal</i> plausibility standards and that the transfer order (Dkt. 107) ended the infringement dispute.	[EX. 2107] Dkt. 107 did not dismiss the infringement claim; it simply transferred the case to SDNY, where the litigation continues. Plaintiff's Supplemental Opposition ([EX. 2028] Dkt. 28) included detailed claim charts mapping each element of the '925 patent to Spotify's accused systems, satisfying <i>Twombly/Iqbal</i> standards. Discovery was conducted under a valid Scheduling Order ([EX. 2022] Dkt. 22). Spotify moved to vacate that order, but the court denied the motion ([EX. 2115] Dkt. 115), confirming discovery remained in effect. Spotify also sought a

		protective order and sanctions to avoid answering RFAs ([EX. 2112] Dkt. 112), but the court dismissed that motion as moot ([EX. 2122] Dkt. 122). These rulings demonstrate that Plaintiff acted properly, while Defendant repeatedly attempted—and failed—to evade discovery. Moreover, Spotify voluntarily admitted infringement conduct in response to RFA 44 ([EX. 2121] filed at Dkt. 121). That admission not only establishes that Spotify practices the claimed system, it also destroys Defendant’s “calculation limitation” argument first raised in its Motion to Dismiss ([EX. 2013] Dkt. 13) and repeated in its Reply ([EX. 2025]Dkt. 25). Spotify’s argument fails because it hallucinates claim limitations that do not exist: the ’925 claims never require reporting or actual payment of royalties. The claims require tallying and logging plays for royalties to be paid, which is a future consequence of server-side new media distribution. This distinction was
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			expressly described in the [EX. 2002] parent patent’s Claim 8 , which referenced royalties “to be paid,” not a limitation of actual payment or reporting. At the time of filing, server-side new media licenses of the type claimed were not generally available to the public until around 2011, further underscoring the novelty of Patent Owner’s invention. Petitioner’s reliance on its distorted reading of the claims is therefore misplaced and cannot support institution.
EX1018 – Court Order 76 (June 26, 2025)	Order following June 24, 2025 oral hearing on Defendant’s Motion to Dismiss (Dkt. 13). The Court held the motion open and directed additional discovery on Spotify’s Louisiana employees, particularly whether conditions of employment required them to reside in the district.	Cited to suggest that venue was unresolved and that Plaintiff’s claims were procedurally infirm pending resolution of the venue dispute.	[EX. 2076] Order 76 did not dismiss the case or invalidate any infringement claims. Instead, it narrowed the venue inquiry to a specific factual issue : whether Spotify’s Louisiana employees were contractually restricted to reside within the Eastern District of Louisiana. The Court ordered Spotify to produce corroborating employment policies and ordered a Rule 30 deposition limited to that topic, with venue discovery due by August 22, 2025. Importantly, [EX. 2076]

			Order 76 did not pause general discovery; [EX. 2022] Scheduling Order 22 remained in effect for all other matters. Plaintiff complied and argued that New York employees had been transferred under contractual restrictions that prevented relocation without approval, satisfying 28 U.S.C. § 1400(b). While the Court later transferred venue in [EX. 2107] Dkt. 107, it did not dismiss the case. Venue arguments were narrowed, and Spotify continued to rely on broader arguments (e.g., state taxes, advertising) that the Court had already dismissed. Thus, [EX. 2076] Order 76 confirms Plaintiff pursued venue discovery in good faith, and Spotify's attempt to recast the order as undermining the infringement claim is misleading.
EX1019 – Hearing Transcript (June 24, 2025)	Transcript of the June 24, 2025 oral hearing on Defendant's Motion to Dismiss for improper venue.	Cited to argue that Plaintiff's venue theory was speculative and that venue was unresolved prior to the transfer order (Dkt. 107).	The transcript shows the Court explicitly narrowed the venue inquiry to a single factual issue: whether Spotify's Louisiana employees were contractually required to reside in the Eastern District of Louisiana. The Court dismissed Defendant's broader

			arguments concerning state taxes, advertising, or job postings as irrelevant to § 1400(b) and ordered focused venue discovery on the narrow employment-condition issue. This directive was later formalized in Order 76 (EX1018). The transcript corroborates that Plaintiff complied with the Court’s instructions and pursued discovery in good faith, while Defendant continued to recycle arguments already rejected. Venue was later transferred under [EX. 2107] Dkt. 107, but the case was not dismissed and the infringement claims remain active. Thus, EX1019 confirms that Petitioner’s characterization of the venue dispute is misleading.
EX1020 – LegalMetric NY Report (Jan. 2020–Jan. 2025)	A third-party statistical report by LegalMetric, Inc. analyzing patent litigation outcomes in the Southern District of New York, including win rates, motion outcomes, damages, and appeal statistics.	Cited to suggest that patentees generally fare poorly in SDNY, implying that Plaintiff’s chances of success are statistically low and that this weighs against the merits of the ’925 patent.	This report has no relevance to the validity of the ’925 patent or the specific prior art asserted. LegalMetric expressly disclaims that it provides legal advice and admits its data may be incomplete or misclassified. Venue transfer and district-level win rate statistics cannot substitute for the claim-by-claim novelty and non-obviousness

			analysis required under 35 U.S.C. §§ 102 and 103. PTAB adjudicates patent validity based on the intrinsic record and prior art, not general litigation odds. Petitioner's reliance on EX1020 is an attempt to import irrelevant forum statistics into a validity proceeding, and it provides no evidence that the challenged claims are anticipated or rendered obvious.
EX1021 – LegalMetric Report, Eastern District of Louisiana (Jan. 2020–Jan. 2025)	A third-party statistical report by LegalMetric, Inc. analyzing patent litigation outcomes in the Eastern District of Louisiana, including win rates, motion outcomes, claim construction statistics, and case pendency times.	Cited to imply that patentees have limited success in EDLA, suggesting Plaintiff's chances of success are statistically low, and to frame venue transfer to SDNY (Dkt. 107) as a neutral or even favorable procedural development.	Like EX1020 (LegalMetric NY), this statistical report has no bearing on the novelty or non-obviousness of the '925 patent claims. LegalMetric expressly disclaims that it provides legal advice and notes that its data may be incomplete or misclassified. PTAB does not decide validity based on venue statistics or forum win rates but on claim construction and substantive prior art. Plaintiff's infringement claims were not dismissed in EDLA; they were transferred to SDNY ([EX. 2107] Dkt. 107), where they continue. Thus, EX1021 is irrelevant to §§ 102/103 validity and cannot substitute for an element-by-element analysis of the asserted

			prior art.
EX1022 – Federal Judicial Caseload Statistics (Administrative Office of the U.S. Courts)	Annual federal court management statistics reporting case filings, terminations, and pending caseloads across U.S. district courts, including average time to trial and motion disposition rates.	Cited to argue that venue transfer to SDNY promotes judicial efficiency because EDLA allegedly has slower resolution times and fewer patent cases, while SDNY has more experience and shorter time-to-disposition averages.	Caseload statistics are irrelevant to whether the challenged claims of the '925 patent are anticipated or obvious. PTAB adjudicates patent validity based on prior art and claim construction, not on federal court docket metrics. Moreover, the statistics are generalized across all case types and do not specifically address patent litigation, let alone the facts of this case. Plaintiff's infringement claims were not dismissed in EDLA; they were transferred to SDNY ([EX. 2107] Dkt. 107), where they remain active. Thus, EX1022 provides no evidence bearing on §§ 102/103 validity and cannot substitute for an element-by-element analysis of the asserted prior art.
EX1023 – Associated Press Article, "Spotify Launches in U.S." (July 14, 2011)	News article reporting Spotify's expansion into the United States in July 2011. Notes that Spotify launched in Europe in 2008 as a music streaming service with subscription and free ad-supported tiers.	Cited to argue that Spotify existed and offered music services before Plaintiff's asserted infringement period, suggesting its business model predates Plaintiff's claims.	This article does not address patent validity or any claim element of the '925 patent. Spotify's 2008/2011 launches were as music consumption services , not real-time new media distribution platforms as claimed. The first direct infringement arises on September 20, 2018 ,

			when Spotify launched direct artist upload capability (The Verge, [EX. 2001] Exhibit H, Dkt. 1-5) & (The Hollywood Reporter - Exhibit M, [EX. 2032]Dkt.32-1) — years after the '925 patent issued. Moreover, Spotify's 2011 U.S. launch does not predate the publication of the '925 patent, nor does its 2008 European launch predate Plaintiff's priority filings. Plaintiff's [EX. 2002] U.S. parent application (11/744,228, filed May 4, 2007, published Nov. 6, 2008) and [EX. 2003] worldwide PCT application (PCT/US2008/056572, filed Mar. 12, 2008, claiming priority to U.S. Provisional 60/908,484 of Mar. 28, 2007, published Nov. 13, 2008) both establish priority before Spotify's commercial launches in Europe (Oct. 2008) and the U.S. (July 2011). Plaintiff's issued patent, U.S. Patent No. 9,146,925 (Sept. 29, 2015), further confirms enforceable rights. Finally, U.S. patent law (35 U.S.C. § 271(a)) prohibits making, using, selling, offering
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			to sell, or importing a patented invention in the United States without a license. Spotify’s U.S. launch in 2011 constituted use and importation of its system in the United States without a license, despite Plaintiff’s formal Invitation to License [EX. 2001] (Exhibit K, Dkt. 1-6). EX1023 provides no disclosure of real-time new media distribution with server-side tallying/logging, nor does it anticipate or render obvious any claim of the ’925 patent. It is irrelevant to §§ 102/103 validity and cannot undermine the enforceability of Plaintiff’s patent rights.
EX1024 – Spotify Fan Insights (Blog Post, Nov. 17, 2015)	Announcement of the limited beta rollout of Spotify Fan Insights, an analytics dashboard for artists. The tool provides demographic data, geographic location of listeners, engagement levels, and music preferences, helping artists “better understand their fans.”	Cited to suggest that Spotify offered tools connecting artists with listener data before the alleged infringement period, implying overlap with Plaintiff’s claimed system.	Spotify Fan Insights is an analytics product, not a distribution system. It allows artists to view data about their fan base, but it does not enable real-time new media distribution, uploading, or server-side tallying/logging for royalty purposes as required by the ’925 patent. This 2015 beta predates Spotify’s September 20, 2018 direct upload launch (The Verge, Exhibit H, Dkt. 1-5 [EX. 2001]), which is the first time

			Spotify allowed new media to be distributed directly through its servers. Moreover, Fan Insights does not disclose or anticipate any of the core claim limitations — distribution of new media, real-time server-based tallying, or metadata-driven royalty allocation. It is simply an artist dashboard layered on top of Spotify’s consumption service, and therefore irrelevant to §§ 102/103 validity.
EX1025 – Spotify for Artists Brochure (April 18, 2017)	A marketing brochure announcing that Spotify Fan Insights was becoming “Spotify for Artists.” The document highlights features such as audience insights, demographics, playlist tracking, artist profile management, and merchandising.	Cited to suggest that Spotify for Artists, as of 2017, provided features overlapping with Plaintiff’s patented system, including artist control, distribution, and fan engagement.	EX1025 is a marketing brochure, not technical evidence of a system practicing the challenged claims. The brochure focuses on analytics, branding, and fan engagement, but it does not disclose or enable real-time new media distribution with server-side tallying/logging as required by the ’925 patent. Unlike Plaintiff’s Claim Charts ([EX. 2001]CH1–4, [EX. 2028] Dkt. 28), which map Spotify’s upload panel and backend functions to the claim elements, EX1025 does not show any upload functionality. Moreover, it conceals

			that Spotify for Artists is a business product with binding Terms and Conditions, treating artists as “Subscribing Entities” ([EX. 2028] Dkt. 28-1, Ex. A) who contract to do business globally. While Spotify claims it pays only labels, its own agreements confirm that both artists and labels are subscribing entities. Spotify’s voluntary admission in RFA 44 ([EX. 2121] Dkt. 121) further confirms that it enters licenses and pays royalties. Thus, EX1025 cannot anticipate or render obvious the ’925 claims. It is promotional material, not prior art, and it omits the very upload/distribution functions at issue.
EX1026 – Case Exhibits F–L from Plaintiff’s Original Complaint	A bundle of exhibits from Plaintiff’s original complaint, including promotional images of client-side jukebox devices (Ex. J, ads for Flash/Web jukebox, TV set-top jukebox, mobile jukebox apps), Exhibit K (Plaintiff’s July 11, 2024 Invitation to License letter), and Exhibit L (ads showing industry abuse and targeted scams) asserting unfair competition under 28	Cited to argue that Plaintiff’s own complaint materials show a focus on client-side jukebox devices rather than a server-based distribution system, implying Plaintiff’s patent claims are device-oriented rather than platform-oriented.	EX1026 is incomplete and misleading by omission. Petitioner cherry-picks device-facing promotional ads but ignores Plaintiff’s ASCAP “new media” licensing evidence (Ex. I), which demonstrates that the invention was always conceived as a server-based distribution system with royalty tracking/logging for new media services. That evidence directly

	U.S.C. § 1338(b). Notably, Petitioner excluded certain original complaint exhibits, such as Plaintiff’s ASCAP “new media” experimental server-side licensing evidence (Exhibit I), which directly rebuts Spotify’s invented “automatic calculation limitation.”		rebutts Petitioner’s fabricated “automatic calculation” limitation argument by showing that licensing and royalty consequences were recognized features of the claimed system. Plaintiff’s Claim Charts ([EX. 2028] Dkt. 28, P.28-60) and opposition filings ([EX. 2028]Dkt. 28-1, Ex. A, Spotify for Artists Terms and Conditions) further confirm that Spotify for Artists is a business platform treating artists as subscribing entities, matching the server-based claims. Petitioner’s omission of these materials distorts the record. Thus, EX1026 does not anticipate or render obvious the ’925 claims. It merely reuses Plaintiff’s own litigation materials selectively, while omitting the exhibits most relevant to the patented inventive concept — real-time new media distribution with server-side tallying/logging for royalties.
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V. ANTICIPATION (§ 102) CANNOT STAND

A. Legal Standard and Examiner History

Anticipation under 35 U.S.C. § 102 requires that a single reference disclose **each and every element** of the challenged claim, arranged as in the claim. *Net MoneyIN v. VeriSign, Inc.*, 545 F.3d 1359, 1369 (Fed. Cir. 2008). The Federal Circuit recently reaffirmed this “all-limitations rule” in *Salazar v. AT&T Mobility LLC*, 64 F.4th 1311, 1316–17 (Fed. Cir. 2023): where a claim recites that a single processor performs multiple functions, anticipation fails unless one reference discloses a processor that satisfies *all* those functions.

Petitioner concedes no single reference discloses all limitations. (Pet. 34, 52). Instead, they rely on patchwork combinations of Laut, Kincaid, Bongiovi, Dion, and Nathan-109. That is **obviousness** under § 103, not anticipation under § 102.

The USPTO already considered and rejected this anticipation theory. During prosecution, Davis and Gunaseelan were applied as anticipatory art. The Examiner withdrew those rejections after Applicant amended the claims to recite “real time distribution of **new media**” and explained that modifying Davis would change its principle of operation. (EX1002 at 385–386).

Patent Owner asked Spotify to assert its position on this very point through Requests for Admission (Nos. 1174–1175), which mirrored the Examiner’s reasons for allowance at EX1002, 385–386. Spotify refused to admit, complaining to the district court that RFAs

were inconvenient to answer, but Judge Lemelle denied its motion for protective order as moot ([EX. 2122]see Order 122). More importantly, the prosecution history speaks for itself: the Examiner’s reasons for allowance are clear on their face at EX1002, 385–386.

That history directly triggers 35 U.S.C. § 325(d): the Board should not revisit anticipation grounds already resolved in the Office. See *In re Ratti*, 270 F.2d 810, 813 (CCPA 1959) (a device does not anticipate where the claimed invention operates on a fundamentally different principle).

B. Application to Petitioner’s Cited References

Parent Claim Support. [EX. 2002] The parent ’942 application confirms what the ’925 claims require. Claim 8 states: “*the system will keep track of the member’s media and files and play count for royalties to be paid.*” Thus, “amounts earned” in the ’925 means **server-side tallying of play counts** tied to licensing, not jukebox coin counters or operator splits.

Venue = Territory. The specification explains the invention exposes artists “*from any state, city, or country to a worldwide audience, currently not implemented by internet jukeboxes.*” (US2008/0275942A1 ¶ 13). The term “venue” therefore denotes **territorial usage** (state, city, country), not a single bar. Petitioner’s reliance on jukebox machine IDs or local logs does not satisfy this limitation.

Reference Failures.

- **Laut (EX1011):** Teaches only local jukebox tokens and credits. No server-side tallying, no royalty consequence.
- **Kincaid (EX1012):** Playlist synchronization of preexisting catalog entries. No new media uploads, no real-time distribution.
- **Bongiovi (EX1013):** Audio processing, not distribution. Provides no venue/royalty tracking.
- **Dion (EX1005):** Coupon-based playlisting, still tied to catalog. Absent RMS tallying or royalty consequence.
- **Nathan-109 (EX1007):** RMS normalization alone. No system for artist uploads, server storage, or territorial royalty tracking.

Each reference fails to disclose multiple limitations, let alone all of them “arranged as in the claim.”

Industry Chronology. These references predate 2007 and operated under bar-performance licenses. Interactive new-media licensing did not exist until ASCAP’s experimental licenses circa 2010 — precisely when Patent Owner filed the continuation that became the ’925 patent. The prior art could not anticipate because it addressed an entirely different licensing paradigm.

C. Conclusion on § 102

No cited reference discloses every limitation of the independent claims, nor do they operate on the same principle as the claimed invention. Anticipation categorically fails. Petitioner’s only path is hindsight reconstruction under § 103, which likewise fails for the reasons set forth below.

VI. PRIORITY & INDUSTRY TIMELINE (WITH CONTRACT +

DEFICIENCY WRAP-UP)

The history of the '925 patent confirms that Patent Owner disclosed, demonstrated, and licensed the invention years before the industry or Petitioner's references reached comparable ground.

- **2007 – Parent application filed.**

Patent Owner filed U.S. Appl. No. 11/744,731, which published as US 2008/0275942 A1, disclosing server-side, real-time distribution of new media. [EX. 2002] The parent expressly included both “royalties to be paid” (Claim 8) and “venue” (Claim 20), with the specification clarifying that a venue could mean a state, city, or country exposed to a worldwide audience (¶13). This shows that royalty consequences and territorial usage were anticipated from the start and later carried forward into the '925 patent.

- **2007 – International (WIPO) application filed.**

Patent Owner also filed International Application **WO2008137208A1** under the Patent Cooperation Treaty (PCT) [EX. 2003], providing worldwide notice of the invention and establishing priority rights beyond the United States. This reinforced the territorial scope of the invention and ensured protection across multiple jurisdictions.

- **2008 – Public disclosure.**

The parent application published, placing the invention into the public domain and establishing priority against later art.

- **2009 – JavaOne demonstration.**

Patent Owner publicly demonstrated the system under the parent patent. Industry reports flagged the rise of “bootleg jukeboxes” as a concern. ASCAP was aware of this demonstration.

- **2009–2010 – Experimental ASCAP license (pre-public availability).**

Following the JavaOne demonstration, Patent Owner was included in ASCAP's experimental “new media” licensing program for server-side distribution. This license, obtained before ASCAP made interactive licenses publicly available, confirmed the very “venue/territory” and “royalties to be paid” concepts already disclosed in the parent application.

- **2010 – Continuation filing and experimental ASCAP license.**

Patent Owner filed the continuation that matured into the '925 patent. The

continuation preserved and reinforced the territorial and royalty-tracking concepts first disclosed in the parent and validated by the experimental license — years before ASCAP or BMI offered public interactive licenses more broadly.

- **2011 – Public rollout of interactive new media licenses.**

ASCAP and BMI began offering interactive licenses more broadly. Patent Owner’s prior filing and experimental license confirm that the invention anticipated and shaped the industry development.

- **2012 – Europe adopts multi-territorial new media licensing.**

BMG and GEMA launched ARESA GmbH to administer both performance and mechanical rights for online and mobile distribution across the European Economic Area. ARESA’s role was expressly territorial, confirming that licensing depended on reporting “what played where” across jurisdictions. This European shift came years after Patent Owner’s 2007 disclosure and 2010 ASCAP experimental license, reinforcing that the ’925 invention anticipated industry needs before either U.S. or European PROs implemented comparable frameworks.

This European development confirms that the invention was not limited to a “bar jukebox,” but rather anticipated the industry’s inevitable shift toward *territorial licensing across multiple jurisdictions*. By 2012, ARESA and GEMA were explicitly administering both performance and mechanical rights for online and mobile distribution throughout the European Economic Area — an exact parallel to the ’925 patent’s “venue = territory” construction. The fact that Patent Owner filed its PCT application (WO2008/137208A1) and continuation years earlier underscores that the invention anticipated worldwide licensing structures before PROs in either the U.S. or Europe implemented them.

- **2013 – Continuation prosecution.**

Patent Owner prosecuted the ’925 continuation, during which the examiner distinguished the invention from jukeboxes and list downloads. Logging and audio-processing language was added late, but the **allowance was secured because of real-time distribution of new media.**

- **2015 – Issuance of U.S. Patent No. 9,146,925.**

- **20 Sep 2018 Spotify Announced – To Allow Indie Artists to Upload Music Directly, Bypassing Distributors ([EX 2032] Dkt. 32-1 Exhibit M) infringing the '925 patent when, performing the server-side tallying in the claims. Spotify also announced performing the optional embodiment described in the specification, not the claims. “Through payment-processing provider Stripe, Spotify will facilitate royalty payments, which will be accounted each month. In an email, a rep for Spotify clarified that artists who directly upload their music will receive 50**

percent of Spotify's net revenue (the service will also account to publishers and collection societies) and will keep 100 percent of royalties on that music.”

Contrast with Petitioner's References:

Petitioner relies on **client-side jukebox patents and audio normalization references**.

Those disclosures, even if accurate in their field, belong to the bar-license regime of pre-2007 jukeboxes and playback quality controls. They do not address **server-side distribution of new media, territorial licensing of new media, or real-time new media uploads**.

Conclusion:

This timeline shows that by the time Petitioner's cited art was operating in the jukebox domain, Patent Owner had already (1) filed in 2007 and disclosed in 2008, (2) demonstrated the invention publicly in 2009, and (3) secured both a continuation filing and an experimental interactive ASCAP license in 2010. Petitioner's art does not just miss the claim limitations — it is **chronologically and conceptually behind** the inventive step that defined the '925 patent.

Deficiency Wrap-Up:

Petitioner's references are rooted in the **old jukebox regime** — client-side machines tied to bar licenses and playback adjustments. The '925 patent, by contrast, is a **server-side invention** built around real-time distribution of new media, territorial licensing, and metadata-driven event tracking. By 2008 the invention was disclosed; by 2009 it was demonstrated; by 2010 it was both continued in prosecution and licensed under

ASCAP's experimental new media framework. Petitioner not only fails to show every limitation under *Salazar v. AT&T Mobility LLC*, 64 F.4th 1311 (Fed. Cir. 2023), but also relies on art that is chronologically and conceptually behind the invention. Institution must therefore be denied under 35 U.S.C. § 314(a).

VII. CONCURRENT DISTRICT COURT PROCEEDINGS (FINTIV FACTORS 1–6 + CONCLUSION)

Even apart from Petitioner's failure on the merits, institution should be denied under the Board's discretionary authority. The parallel litigation (*Tijerino v. Spotify USA Inc.*, No. 2:24-cv-02290) is far advanced, with over 120 docket entries and multiple discovery rulings. Although the case has now been transferred from the Eastern District of Louisiana to the Southern District of New York (Dkt. 107), the litigation continues on the existing record. Substantial progress and investment by both parties and the courts weigh heavily against duplicative PTAB proceedings under 35 U.S.C. § 314(a).

Factor 1: Whether the district court has set a trial date before the Board's final written decision is due

The original Scheduling Order ([EX. 2022] Dkt. 22) set trial for December 8, 2025, with discovery cutoff October 21, 2025. While that schedule was stayed after transfer ([EX. 2115] Dkt. 115), the court record remains heavily developed. By contrast, if the Board institutes, a final written decision would not issue until early 2027. The district court litigation is already well ahead, favoring denial.

Factor 2: Proximity of the court's trial date to the PTAB's projected decision date

Although the EDLA trial date is no longer active, the record already includes claim charts (EX. 2001 Doc. 1-4 Exhibit C) & ([EX. 2028] Dkt. 28), venue discovery orders ([EX. 2076] Dkt. 76), multiple motions to dismiss (Dkt. [EX. 2013] 13, [EX. 2025] 25, [EX. 2028] 28, [EX. 2107] 107), and binding admissions ([EX. 2121] Dkt. 121). The case is substantially advanced relative to the PTAB timeline, making institution duplicative.

Factor 3: Investment in the district court case

The courts have already:

- Granted Plaintiff's Amended Complaint ([EX. 2031] Dkt. 31).
- Heard oral argument on Spotify's motion to dismiss ([EX. 2075] Dkt. 75).
- Ordered venue discovery into Spotify's Louisiana employees ([EX. 2076] Dkt. 76).
- Denied Spotify's attempts to stay discovery ([EX. 2039] Dkts. 39, [EX. 2071] 71, [EX. 2100] 100, [EX. 2101] 101).
- Denied Spotify's motion to vacate the scheduling order ([EX. 2115] Dkt. 115).
- Dismissed Spotify's motion for protective order and sanctions ([EX. 2122] Dkt. 122).

As of this filing, the docket exceeds 120 entries. This level of investment underscores that the case is far advanced and ongoing.

Factor 4: Overlap between issues raised in IPR and district court

Spotify raises the same validity challenges here that it asserts in district court. The

district court is already managing substantive disputes about infringement and royalties through RFAs, depositions, and discovery orders ([EX. 2022] Dkts. 22, [EX. 2076] 76, [EX. 2115] 115, [EX. 2122] 122). Spotify's contradictory RFA positions — first claiming they were “confusing,” then “too many,” then demanding all or nothing under threat of sanctions — confirm that these issues are already being litigated in depth. The court dismissed Spotify's sanctions motion as moot ([EX. 2122] Dkt. 122), underscoring that discovery disputes are properly resolved in Article III court, not PTAB. Allowing PTAB to proceed would duplicate effort and risk inconsistent outcomes.

Factor 5: Whether the parties are the same

The defendants are effectively the same. The district court case proceeds against **Spotify USA Inc.**, while this IPR is filed by its parent, **Spotify AB**. Both entities are under common control and share identical interests, resources, and defenses. For Fintiv purposes, they should be treated as the same party. There is no efficiency gained by allowing Spotify to re-litigate validity in two forums.

Factor 6: Other circumstances impacting efficiency, fairness, and integrity

Spotify has engaged in gamesmanship, including:

- Moving to stay discovery ([EX. 2039] Dkt. 39), which was denied ([EX. 2071] Dkt. 71), and again later through [EX. 2100] Dkts. 100 and [EX. 2101] 101.
- Attempting to quash court-ordered venue depositions ([EX. 2084] Dkt. 84) with sanctions, despite previously conceding that venue depositions could help resolve patent-venue discovery.

- Mischaracterizing claims as “royalty calculation” in this IPR while resisting discovery on “venue = territory” in district court.
- Admitting a term in response to one Request for Admission, but then claiming not to understand nearly identical terms in subsequent RFAs — terms taken directly from Spotify’s own HR website.
- Shifting RFA objections: first claiming they were “confusing,” then “too many,” then demanding all or nothing under threat of sanctions. The Court dismissed Spotify’s sanctions motion as moot ([EX. 2122] Dkt. 122), underscoring that discovery disputes are already managed in district court.
- Attempting multiple times to sanction Patent Owner, not because of misconduct, but as a tactic to harass and distract from the merits.
- Complaining about Plaintiff’s efforts to meet and confer in good faith, then objecting again when those meet-and-confer discussions were recorded for accuracy.
- Denying in its Motion to Dismiss that it had employees in the Eastern District of Louisiana, then later admitting it did — admissions that led directly to the court ordering additional Rule 30 venue depositions.
- Complaining that Plaintiff’s AI was “hallucinating” while itself hallucinating patent claim limitations of payments and reporting that do not exist. When Spotify accused AI of hallucinating case law, the AI pointed out Spotify’s own misrepresentation of the patent. Defendant is the one hallucinating claim limitations that don’t exist.
- Claiming at one stage that it does not pay royalties, and later admitting that it does — a direct contradiction that goes to the heart of the issues in this case.
- Claiming in its Motion to Dismiss that it does not pay artists, while its own **Spotify for Artists Terms** expressly treat artists as “subscribing entities.” This contradiction highlights Spotify’s willingness to distort facts in litigation to evade liability.

Spotify has poured substantial resources into avoiding infringement liability — filing multiple motions to dismiss, transfer, stay discovery, and seek sanctions — when it could have simply negotiated a patent license in good faith before the case even started [EX 2001 Doc 1-6 page 11 of 14]. In court, Spotify has claimed it does not pay artists

directly, yet its own **Spotify for Artists Terms** classify artists as “subscribing entities,” and it admitted in discovery ([EX. 2121] Dkt. 121) that it enters licenses and pays royalties **to labels, distributors, and PROs — everyone except the artists themselves.** At the same time, Spotify points to PROs as evidence of compliance for musicians while resisting accountability to inventors. In doing so, Spotify ignores the core invention — **real-time new media distribution as a server-side system** — imagines claim limitations that do not exist, and overlooks the fact that “**new media**” licenses themselves arose as the industry adapted to Plaintiff’s innovation. Musicians at least have PROs to enforce copyright; for inventors, the only protection is the U.S. patent system. Allowing Spotify to relitigate the same issues in two forums would reward obstruction and undermine judicial efficiency, fairness, and the integrity of the patent system..

Fintiv Conclusion

All Fintiv factors weigh strongly in favor of discretionary denial. The district court litigation is far advanced, now transferred to the Southern District of New York but continuing with more than 120 docket entries, multiple substantive rulings, and binding admissions ([EX. 2121] Dkt. 121) already on record. Spotify’s procedural gamesmanship — shifting RFA positions, seeking sanctions that were dismissed as moot, attempting to vacate [EX. 2022] Scheduling Order 22, and dividing its defenses between Spotify USA in court and Spotify AB in this IPR — only underscores why

duplicative PTAB proceedings would be unfair and inefficient. Instituting review would waste resources, encourage obstruction, and undermine the integrity of the patent system.

VIII. FINAL CONCLUSION

Petitioner has not shown that the cited references disclose all limitations of the challenged claims. The [EX. 1001] '925 patent is directed to server-side, real-time distribution of new media, not the client-side jukebox systems and audio normalization art on which Petitioner relies. Under the all-limitations rule reaffirmed in *Salazar v. AT&T Mobility LLC*, 64 F.4th 1311 (Fed. Cir. 2023), Petitioner cannot prevail. Institution must therefore be denied under 35 U.S.C. § 314(a).

The **priority record is clear**: the [EX. 1001] '925 patent claims priority to its [EX. 2002] parent U.S. Application (US 2008/0275942 A1, filed May 4, 2007, published Nov. 6, 2008) and to the corresponding PCT application [EX. 2003] (WO2008/137208 A1, filed Mar. 12, 2008, published Nov. 13, 2008). Both were filed and published well before Spotify's U.S. launch in 2011 and its direct-upload functionality in 2018. Petitioner's reliance on later industry developments cannot overcome this established priority.

Separately, all **Fintiv factors** weigh strongly in favor of discretionary denial, given the

advanced district court litigation. The case has now been transferred to the Southern District of New York ([EX. 2107] Dkt. 107) but continues with over 120 docket entries, multiple substantive rulings, and binding admissions ([EX. 2121] Dkt. 121) already on record. Spotify's procedural gamesmanship — shifting RFA positions, failed sanctions attempts, and dividing defenses between Spotify USA and Spotify AB — only heightens the inefficiency and unfairness of duplicative PTAB proceedings.

Accordingly, both **on the merits** and **under Fintiv discretion**, Patent Owner respectfully requests that the Board deny institution of inter partes review of U.S. Patent No. 9,146,925.

Because both the U.S. parent and worldwide PCT applications establish priority before Spotify's first launches, Petitioner cannot rely on later art or commercial activity to challenge validity. This further confirms that institution should be denied.

CERTIFICATE OF SERVICE

Pursuant to 37 C.F.R. § 42.6(e), I certify that a true and correct copy of the foregoing **Patent Owner Preliminary Response in IPR2025-01280**, together with **Patent Owner's Exhibit List**, was served on Petitioner's counsel of record by electronic mail on **September 29, 2025**, at the following addresses:

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Dated: September 29, 2025

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