UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Electronic Frontier Foundation Petitioner,

V.

Personal Audio, LLC Patent Owner

Case IPR2014-00070 Patent 8,112,504

Petitioner Electronic Frontier Foundation's Reply to the Patent Owner Response

TABLE OF CONTENTS

| I. | Inti | roduction | . 1 | |
|------|---|--|-----|--|
| II. | Personal Audio's Arguments Against CNN are Contradicted by the Evidence and the Testimony of Its Expert | | | |
| | A. | CNN's contents.html file is stored at a predetermined URL | . 2 | |
| | B. | The contents.html file is updated | . 3 | |
| | C. | The contents.html file is updated automatically by the processor (though this is not a claim limitation) | | |
| | D. | The daily news segments described in the contents.html file are the claimed "episodes" | . 6 | |
| | | 1. Under the Board's preliminary construction, the news segments in the contents.html file are "episodes" | | |
| | | 2. The Board's preliminary construction is correct, because Personal Audio's "segment"/"episode" distinction is artificially narrow ar inconsistent with the specification | | |
| | | 3. Even if it were correct, Personal Audio's "segment"/"episode" distinction would not make claim 31 patentable | . 8 | |
| | E. | There is no dispute that CNN discloses all the other elements of claim 31 | 9 | |
| III. | CBC Anticipates Claims 31-35 | | | |
| | A. | CBC discloses the claimed "compilation file" at a storage location identified by a predetermined URL | 11 | |
| | B. | Personal Audio's arguments regarding FTP and URLs are directly contradicted by the specification of the '504 patent | 12 | |
| | C. | CBC is enabling | 13 | |
| IV. | Personal Audio Has Waived Any Argument That Claims 32-35 Are Separatel Patentable | | | |
| V. | The | e Alleged "Benefits" of the Invention Do Not Show Nonobviousness 1 | 14 | |
| VI. | The Dispute Over the Level of Ordinary Skill is Immaterial | | | |
| VII. | Co | nclusion | 15 | |

TABLE OF AUTHORITIES

| Pa | ige(s) |
|--|--------|
| Cases | |
| <i>In re Antor Media Corp.</i> , 689 F.3d 1282 (Fed. Cir. 2012) | . 13 |
| <i>In re Dillon</i> , 919 F.2d 688 (Fed. Cir. 1990) | .14 |
| <i>In re Geisler</i> , 116 F.3d 1465 (Fed. Cir. 1997) | .14 |
| Google, Inc. et al. v. Jongerius Panoramic Techs., LLC., IPR2013-00191, Final Decision, at 37 (PTAB Aug. 12, 2014) | . 13 |
| Leapfrog Enterprises, Inc. v. Fisher-Price, Inc., 485 F.3d 1157 (Fed. Cir. 2007) | 5 |
| Ex parte Mathias, 84 U.S.P.Q.2d 1276 (BPAI 2005) | 9 |
| <i>In re Ngai</i> , 367 F.3d 1336 (Fed. Cir. 2004) | 9 |
| Soverain Software LLC v. Newegg, Inc., 705 F.3d 1333 (Fed. Cir. 2013) | 6 |
| SRI Int'l, Inc. v. Internet Sec. Systems, Inc., 511 F.3d 1186 (Fed. Cir. 2008) | , 14 |
| Western Union Co. v. MoneyGram Payment Systems, 626 F.3d 1361 (Fed. Cir. 2010) | 4 |
| Rules | |
| 37 C.F.R. § 42.65(a) | .15 |

EXHIBIT LIST

| Exhibit | Description |
|---------|---|
| 1001 | U.S. Patent No. 8,112,504 |
| 1002 | Declaration of Chris Schmandt with Curriculum Vitae |
| 1003 | Declaration of Carl Malamud |
| 1004 | Personal Audio, LLC, US Patent Office issues Podcasting |
| 1004 | Patent to Personal Audio, Press Release, Feb. 7, 2012 |
| 1005 | Personal Audio, LLC, Personal Audio Asserts Podcasting |
| | Patent Against Media Companies, Press Release, Jan. 7, 2013 |
| 1006 | Personal Audio, LLC v. Fox Broadcasting Co. et al., |
| | Complaint For Patent Infringement (E.D. Tex. Aug. 6, 2013) |
| 1007 | Markoff, J., Turning the Desktop PC Into a Talk Radio |
| 1000 | Medium, N.Y. TIMES, Mar. 3, 1993, at A1 |
| 1008 | Hafner, K., The Man With Ideas, NEWSWEEK, July 24, 1995 |
| 1000 | Schwartz, J., Superhighway Routed Through Capitol Hill; |
| 1009 | Network Plans to Deliver Sound Bites as Bytes, WASH. POST, |
| | Sept. 19, 1994, at A3 Sandberg, J., On-Line Internet Expo Will Promote Cyberspace |
| 1010 | to the Whole Wired World, WALL St. J., Mar. 14, 1995, at B6. |
| | Grossman, W., The Frontier of Broadcasting Radio Programs |
| 1011 | are Going On-Line, INT'L HERALD TRIBUNE, Mar. 8, 1995, at |
| 1011 | 20 |
| | Patrick, A. et al, CBC Radio on the Internet: An Experiment in |
| 1012 | Convergence, 21 CANADIAN J. OF COMM'N 1, 125-140, Jan. 1, |
| | 1996 |
| | CBC Radio on the Internet: An Experiment in Convergence, |
| 1013 | Indexing Metadata, available at www.cjc- |
| 1013 | online.ca/index.php/journal/rt/metadata/926/832 (last accessed |
| | Sept. 21, 2013) |
| | Personal Audio, LLC, Episodic Content, available at |
| 1014 | |
| | accessed Oct. 11, 2013) |
| 1015 | U.S. App. No. 12/380,955, now U.S. Patent No. 8,112,504, |
| | Notice of Allowability, Oct. 24, 2011 |
| 1016 | Merriam Webster's Collegiate Dictionary, Definition of |
| | Episode (10th Ed. 1996) Remark Lee T. (Ed.) Uniform Passaures Locators (UPLs) |
| 1017 | Berners-Lee, T. (Ed.), <i>Uniform Resource Locators (URLs)</i> , Network Working Group, Dec. 1994 |
| | Network Working Group, Dec. 1994 |

| 1018 | Andreessen, M., <i>World Wide Web access to ITR</i> , posted to alt.radio.internet, Apr. 13, 1993 |
|------|---|
| | Browser rendering of HTML web page located at |
| 1019 | http://www.ncsa.uiuc.edu/ radio/radio.html, as it existed on |
| | April 22, 1993, as rendered from the contents of Ex. 1021 |
| 1000 | [surfpunk-0080] BUBBBLES: talk radio; A New Age; |
| 1020 | clipper chip, Surfpunk Technical Journal, Apr. 22, 1993. |
| | The HTML file that existed at http://www.ncsa.uiuc.edu/ |
| 1021 | radio/radio.html, as of April 22, 1993, reproduced from the |
| | contents of Ex. 1020 |
| | Compton, C., Internet CNN NEWSROOM: The Design of a |
| 1022 | Digital Video News Magazine, Massachusetts Institute of |
| | Technology, Aug. 10, 1995 |
| | Web page located at http://www.ncsa.uiuc.edu/ |
| | radio/radio.html, as it existed on Dec. 20, 1996, available at |
| 1023 | http://web.archive.org/web/19961220063151/http://www.ncsa. |
| | uiuc.edu/radio/radio.html (last accessed Oct. 11, 2013) |
| | Web page located at |
| | http://www.cmf.nrl.navy.mil/radio/geek ITR.html, as it |
| | , , |
| 1024 | existed on April 18, 1999, available at |
| | http://web.archive.org/web/19990418034612/http://www.cmf. |
| | nrl.navy.mil/radio/geek_ITR.html (last accessed Oct. 11, |
| | 2013) |
| 1025 | Savetz, K., <i>Plug In, Log On, Tune In</i> , Microtimes, May 31, |
| | 1993 |
| 1026 | Weber, M. H., Steve Deering, Geek of the Week, April 21, |
| | 1993, posted to alt.internet.talk-radio, Apr. 21, 1993 |
| 1027 | Weber, M.H., Brewster Kahle, Geek of the Week, April 27, |
| 1027 | 1993, posted to alt.internet.talk-radio, Apr. 27, 1993 |
| | Malamud, C., Weekly "Geek of the Week" Interviews to Air on |
| 1028 | Internet Talk Radio in March, Press Release, Mar. 1, 1993, as |
| | posted by Cooper, R. to alt.internet.services, Mar. 17, 1993 |
| 1000 | Vetter, R. et al, Mosaic and the World Wide Web, IEEE |
| 1029 | COMPUTER VOL. 27, No. 10, 49-57, October 1994 |
| | King, L., Directory of Electronic Journals, Newsletters and |
| 1030 | Academic Discussion Lists, Office of Scientific and Academic |
| | Publishing Association of Research Libraries, May, 1994 |
| | Final Transcript of the Deposition of Peter C. Nelson, Aug. 29, |
| 1031 | 2014 |
| 1032 | Claims, U.S. Patent App. No. 14/181,650, filed Feb. 15, 2014 |
| 1032 | Ciamis, C.S. I atom ripp. 110. 17/101,030, mod 1 00. 13, 2017 |

| 1033 | Final Transcript of the Deposition of Christopher Schmandt, June 10, 2014 |
|--|--|
| 1034 | Letter from M. Femal to N. Brown, July 15, 2014 |
| 2001 | Notice of Allowability, U.S. Patent App. No. 12/380,955, now U.S. Patent No. 8,112,504 |
| Excerpts from the Rough Transcript of the Deposition Schmandt, June 10, 2014 | |
| 2003 | U.S. Patent No. 6,115,035 |
| 2004 | Declaration of Peter Nelson with Curriculum Vitae |

TABLE OF ABBREVIATIONS

| Abbreviation | Full Citation |
|----------------|---|
| | Exhibit 1012, Patrick, A. et al, CBC Radio on the |
| CBC | Internet: An Experiment in Convergence, 21 CANADIAN |
| | J. OF COMM'N 1, 125-140, Jan. 1, 1996 |
| | Exhibit 1022, Compton, C., Internet CNN |
| CNN | NEWSROOM: The Design of a Digital Video News |
| CIVIN | Magazine, Massachusetts Institute of Technology, Aug. |
| | 10, 1995 |
| Decision | Decision Instituting Review, IPR2014-00070, Paper 21 |
| Decision | (entered April 18, 2014) |
| Nelson Dep. | Exhibit 1031, Final Transcript of the Deposition of |
| Neison Dep. | Peter C. Nelson, Aug. 29, 2014 |
| | Electronic Frontier Foundation's Revised Petition for |
| Petition | Inter Partes Review, IPR2014-00070, Paper 6 (filed |
| | Oct. 30, 2013) |
| Dagnonga | Patent Owner's Response to Petition for Inter Partes |
| Response | Review, IPR2014-00070, Paper 30 (filed July 3, 2014) |
| Schmandt | Exhibit 1002, Declaration of Chris Schmandt with |
| Decl. | Curriculum Vitae |
| Schmandt Dep. | Exhibit 1033, Final Transcript of the Deposition of |
| Schinandi Dep. | Christopher Schmandt, June 10, 2014 |

I. Introduction

In its Response, Personal Audio points to "missing" elements of the prior art that aren't missing and legal "holes" that don't exist. The actual evidence—which is cited only sparingly in Personal Audio's arguments—shows overwhelmingly that nothing in claims 31-35 is novel and nonobvious.

II. Personal Audio's Arguments Against CNN are Contradicted by the Evidence and the Testimony of Its Expert

CNN describes a system that, on a daily basis, automatically generates a file called "contents.html" that contains a Table of Contents for the CNN Newsroom content that becomes available that day. The contents.html file—which corresponds to the "compilation file" in Personal Audio's claims—is then made available on the Internet so that users can access Newsroom content via the World Wide Web.

Personal Audio presents three arguments against CNN: (1) that CNN does not use a "predetermined URL" for its compilation file; (2) that CNN does not update its compilation file; and (3) that CNN's contents.html files are not actually compilation files at all, because they link to "segments" instead of "episodes." Each of these arguments should be rejected. The uncontradicted evidence, including the testimony of Personal Audio's expert, shows that CNN's contents.html file is stored at a predetermined URL, automatically updated each day by a processor, and contains descriptions and links to "episodes" as that term

was construed by the Board in its preliminary decision.

A. CNN's contents.html file is stored at a predetermined URL

Personal Audio argues that CNN does not disclose a "predetermined URL" for its Table of Contents page, because the URL for the "contents.html" file is in a digit format that contains six code that changes each day: "http://www.nmis.org/newsinteractive/cnn/newsroom/940519/contents.html". Ex. 1022 at Figs. 1 & 2. Personal Audio argues that the invention's use of a predetermined URL is "essential" because it allows "a remote player device that 'knows' the predetermined URL [to] automatically retrieve the most recently updated compilation file[.]" Response at 4; see id. at 5 (same).

In fact, CNN does disclose a predetermined URL. This was confirmed by Dr. Peter Nelson, Personal Audio's expert. Dr. Nelson testified that the claimed "predetermined URL" is a URL that is known in advance to the client. Nelson Dep. at 93:11-21; *see also id.* at 92:4-93:10; Ex. 1001 at 6:60-64, *cf. id.* at 7:23-26, 13:30-33. Dr. Nelson explained that one way a URL can be predetermined is if it is fixed and unchanging (e.g. www.google.com). Nelson Dep. at 93:22-94:2. He testified that another way for a URL to be predetermined is for it to follow a known pattern, such as using six digits in the pattern YYMMDD. *Id.* at 98:21-102:9; *see also* 92:4-93:10, 93:11-21. Thus, Dr. Nelson explained, the URL "http://www.nmis.org/newsinteractive/cnn/newsroom/940519/contents.html" that

is shown in CNN is a predetermined URL. *Id.* at 102:10-103:12; Ex. 1022 at 14, 17 (in search results); *see also* Nelson Dep. at 101:12-102:9; Schmandt Decl. at ¶ 78.

B. The contents.html file is updated

Personal Audio argues that CNN does not disclose an updated compilation file, because contents.html (the Table of Contents page) "is not updated as new episodes become available." Response at 39. Personal Audio argues that this is shown by the fact that the newly available Newsroom segments for each day are summarized by a "different Table of Contents page at a different URL." *Id.*

The testimony of both parties' experts contradicts this argument, and for good reason: the fact that a contents.html file is stored at a different URL for each day does not imply that the contents.html file is not "updated." To the contrary, CNN explains that the program "contents.c" runs each day, using the *newly available* Newsroom video and Curriculum Guide to generate a new version of the contents.html file that describes the news segments that became available *that day*. Ex. 1022 at Fig. 3, 18-19; *see id.* at 13-14. Dr. Nelson testified that as a result, CNN describes updating the "contents.html" file:

Q. That means that the contents.html file is updated each day to reflect the most recent broadcast of CNN Newsroom, correct?

A. Yes, I believe so.

Nelson Dep. at 91:15-18; *see also id.* at 90:10-91:14. Mr. Schmandt concurs. Schmandt Decl. at ¶ 78. Thus, CNN discloses "storing an updated version of a

compilation file" because it describes automatically generating a version of the contents.html file that contains the news segments that become available each day.

Personal Audio's argument to the contrary depends on the assumption that claim 31 requires that the compilation file be updated *in a specific way*: by being amended, as opposed to overwritten, such that the compilation file contains both older content and updated content. But that requirement does not exist in the claim, and is inconsistent with the specification of the '504 patent, which explains that the compilation file contains "identifiers of the program segments to be played <u>during</u> an upcoming session." Ex. 1001 at 7:10-19 (emphasis added). By describing a compilation file that is updated to identify *current* content, as opposed to a file that identifies *all* content, the '504 patent describes exactly what CNN discloses.

Moreover, in the alternative, if claim 31 were to require the compilation file to be "amended," such a requirement would not provide a patentable distinction over CNN. Personal Audio has presented neither argument nor evidence suggesting that it would have been anything more than a trivial and predictable modification of the system described in CNN to have it amend an existing compilation file by adding the updated content to the beginning (or end) of the file, instead of creating a new file. *Western Union Co. v. MoneyGram Payment Systems*, 626 F.3d 1361, 1371-72 (Fed. Cir. 2010) (invalidating patent where the patentee provided no explanation for why an arguably missing claim element was more than

an "insignificant detail"); *Leapfrog Enterprises, Inc. v. Fisher-Price, Inc.*, 485 F.3d 1157, 1162 (Fed. Cir. 2007). Moreover, the evidence shows that this modification would have been well within the realm of ordinary skill: Dr. Nelson confirmed that a person of ordinary skill knew how to create a "Table of Contents" web page, and how to update a Table of Contents web page by adding new content to it. Nelson Dep. at 80:3-23; *see also* Schmandt Decl. at ¶¶ 78-79.

C. The contents.html file is updated automatically by the processor (though this is not a claim limitation)

Personal Audio argues that in the challenged claims, "the compilation file is...both assembled and updated by a processor," and that CNN contains "no disclosure of 'compiling' and 'updating' by a processor[.]" Response at 3, 6. Both of these assertions are incorrect. CNN describes a processor assembling and updating of a compilation file: the program "contents.c" automatically generates the updated contents.html file each day. Nelson Dep. at 90:10-91:18; Ex. 1022 at Fig. 3, 17-18; Schmandt Decl. at ¶ 78. Further, the claims contain no requirement that the compilation file be "updated" or "compiled" by a processor. All the claims actually require is that the processor perform the act of "storing an updated version of a compilation file." Ex. 1001 at claim 31 (emphasis added); see also Ex. 1032 at 1 (Personal Audio is pursuing new claims that add a limitation requiring the processor to update the compilation file). Thus, even if CNN did not disclose this element, Personal Audio could not rely on it to show nonobviousness. See

Soverain Software LLC v. Newegg, Inc., 705 F.3d 1333, 1339-40 (Fed. Cir. 2013).

D. The daily news segments described in the contents.html file are the claimed "episodes"

According to Personal Audio, the news segments shown in Figure 1 are segments of a *single* episode (the May 19 broadcast of CNN Newsroom) and are not themselves episodes. Response at 38. This argument should be rejected.

1. Under the Board's preliminary construction, the news segments in the contents.html file are "episodes"

Both Personal Audio's expert testimony and its briefing show that the news segments in Figure 1 are the claimed "episodes" under the construction adopted in the Board's preliminary decision. Dr. Nelson conceded that the program segments shown in Figure 1 are episodes under that definition:

Q. So under the definition that was adopted by the Board, an episode is 'a program segment represented by one or more media files which is part of a series of related segments, e.g. a radio show or news cast,' correct?

A. Correct.

Q. And under that definition the two program segments that are part of the May 19 CNN Newsroom show that are shown in figure 1 are both episodes, correct?

A. Yes, I think so.

Nelson Dep. at 88:14-24. Dr. Nelson's conclusion is clearly correct. CNN expressly describes each of the news stories for a particular day as "program

segments" that are represented by video files linked to by the contents.html file. Each of those news segments is "part of a series of related segments," because they are each part of the Newsroom show for that day. Indeed, Personal Audio's Response *concedes* that the news segments for a particular day are "temporally related, because they were broadcast as part of the same newscast unit." Response at 39. Thus, CNN's news segments are "episodes" because each is "a program segment, represented by one or more media files, which is part of a series of related segments, e.g. a radio show or a newscast." *See* Decision at 8.

2. The Board's preliminary construction is correct, because Personal Audio's "segment"/"episode" distinction is artificially narrow and inconsistent with the specification

Personal Audio argues that it is "indiscriminate" to consider the daily news segments shown in CNN's Figure 1 to be "episodes." Response at 38. According to Personal Audio, distinguishing between "segments" and "episodes" is needed "to account for the nature of serialized sequence [sic] of episodes," because the "segments" shown in CNN's Figure 1 are not "selected as a group by a subscriber." *Id.* at 38-39.

Personal Audio's argument is directly contradicted by the specification, which explains that users can subscribe to subjects such as "world news" to obtain a group of program segments:

By way of example, a program compilation for a given subscriber might illustratively consist of seven subjects: world news, national news, local news, computer trade news, email and voice mail messages, country music, classical music, and the listener may skip from subject announcement to subject announcement to readily locate the beginning of any one of the six subjects. The four "news" subjects each consist of a collection of structured program segments ...

Ex. 1001 at 30:18-25 (emphasis added). Personal Audio's argument is also inconsistent with the ordinary English meaning of "episode." *See* Ex. 1016. Thus, the '504 patent explains that the compilation file for a particular subscriber can include groups of news segments, such as a group of "world news" segments.

3. Even if it were correct, Personal Audio's "segment"/"episode" distinction would not make claim 31 patentable

Even if news stories are not considered "episodes" because they are "temporally related" (as opposed to thematically related, despite no such requirement in claim 31, the specification, or the plain meaning of "episode"), (Response at 38-39), that distinction could not make claim 31 non-obvious.

First, CNN itself provides express motivation and instruction to use its disclosure for the type of "episode" that Personal Audio argues is required. Specifically, CNN states that its system "could be used to automatically generate digital video magazines" for "any...program for which users might want to be able to see past <u>episodes</u> (i.e., other news programs, <u>sitcoms</u>, <u>soap operas</u>...)." Exhibit 1022 at 29 (emphasis added).

Second, Personal Audio's argument would be insufficient even if CNN did

not disclose so-called "thematically-related" episodes. The same apparatus is being used for distributing media files regardless of whether the compilation file in the apparatus describes "segments" of a daily news program or "episodes" of a soap opera. Thus, Personal's Audio's argument relies on "nonfunctional descriptive material" which "cannot lend patentability to an invention that would have otherwise been anticipated by the prior art." *Ex parte Mathias*, 84 U.S.P.Q.2d 1276, 1278-79 (BPAI 2005) (finding the difference between displaying a window over a "sporting event" and displaying a window over an "interview" unpatentable); *In re Ngai*, 367 F.3d 1336, 1338-39 (Fed. Cir. 2004).

E. There is no dispute that CNN discloses all the other elements of claim 31

Other than the four arguments addressed above, Personal Audio does not dispute that CNN discloses each of the elements of the claims for the reasons set forth in the Petition and the Board's preliminary decision. *See* Decision at 14-19.

There is no dispute that the "contents.html" file shown in Fig. 1 contains the claimed "episode URLs" and "attribute data." In particular, there is no dispute that Fig. 1 shows multiple news segments, each of which has a link to a corresponding media file, as well as text identifying the segment and summarizing its content. Response at 38 (conceding that "the Table of Contents HTML page contains links [to] one or more media files"); *id.* at 37 (agreeing that "the Table of Contents HTML page displays a short summary ... for each segment"); *see also* Nelson Dep.

at 91:19-92:3 (testifying that contents.html includes links to media files, and text summaries, for each segment it contains). Thus, other than Personal Audio's insistence that the news segments shown in Fig. 1 are not "episodes," there is no dispute that CNN discloses the claimed "episode URLs" (links to the media files for each segment), and the claimed "attribute data" (text identifying and summarizing each segment).

Similarly, there is no dispute that the CNN system includes the three physical components of the claims: "one or more data storage servers," "one or more communication interfaces," and "one or more processors." See Response at 34 (arguing that CNN's three physical components "do[] not perform all of the functions" of the claims) (emphasis added); id. at 31 (agreeing that CNN discloses a "Web Server"). Dr. Nelson's testimony confirms that a web server provides all of the 'hardware' elements of claim 31. In particular, Dr. Nelson testified that a person of ordinary skill knew how to set up a web server (Nelson Dep. at 77:22-24; see also id. at 77:19-21; 77:25-78:3); that a web server that is accessible through the world wide web has a communication interface for connecting to the Internet (id. at 117:18-118:19); and that a web server has data storage for the content it makes available, which is "typically part of the same computer," but "could also be part of a different computer that was accessible to the Web server" (id. at 114:9-116:11).

Finally, there is no dispute that the CNN system performs the standard, known functions of a web server: receiving and responding to requests for files identified by URLs. Response at 37, 38 (agreeing that for each news segment, CNN discloses a "clickable link to a video file for the news story").

III. CBC Anticipates Claims 31-35

A. CBC discloses the claimed "compilation file" at a storage location identified by a predetermined URL

Personal Audio's primary argument regarding CBC is that CBC does not disclose a "compilation file." *See* Response at 19-26. Although Personal Audio acknowledges that new episodes of the *Quirks & Quarks* program were made available on the server, it argues that "[t]here is no description of anything that would correspond to a compilation file." Response at 22-23. This argument ignores the disclosures of CBC.

First, CBC discloses, among other things, that "regular radio programs were...made available via FTP, Gopher, and World Wide Web" and that "tools like Gopher, Mosaic, and Netscape are able to recognize and play these [audio] files, [which] makes building interesting interfaces to the programs much simpler." Exhibit 1012 at 1, 2. CBC goes on to state that "[e]ach show has a menu attached to it to describe the contents of the various parts[.]" *Id.* at 7. With respect to at least *Quirks & Quarks*, "[t]he hour-long show was automatically recorded each week" and then broken into segments that were "described in enough detail so that users

could select those portions of the show that interested them and download the appropriate audio file." *Id.* at 5. This describes the claimed compilation file. The fact that the specific URL used to access this web page is not disclosed is irrelevant. As both experts explained, that page must exist and have a URL, because it is accessed through the world wide web. Schmandt Dep. at 15:4-19; Nelson Dep. at 119:22-121:17.

Finally, the claim makes clear that the "predetermined URL" need only identify a storage location on a data server where the compilation file is stored. CBC discloses that listeners retrieved the compilation file from first a "well known" government server and later the CBC website, both of which disclose a storage location identified by a predetermined URL. Ex. 1012 at 3, 7; Ex. 1002 at ¶ 64.

B. Personal Audio's arguments regarding FTP and URLs are directly contradicted by the specification of the '504 patent

Personal Audio argues without citation that CBC was "experimental" and had "serious usability problems" because it described using, among other things, FTP. Response at 14-15. This argument directly contradicts the disclosure of the '504 patent, which relies on a disclosure of an FTP host in connection with the disclosure for the "predetermined URL" and "episode URLs" limitations. *See* Ex. 1001 at 6:60-64; 18:55-60. Personal Audio cannot disavow FTP when the '504 patent itself relies on it for enablement. *See SRI Int'l, Inc. v. Internet Sec. Systems, Inc.*, 511 F.3d 1186, 1193 (Fed. Cir. 2008) ("Thus, 'if the specification of the '212

patent was sufficient to enable the claims of that patent, so, too, is the description of EMERALD 1997.").

Personal Audio also argues without citation that "links" cannot be URLs because "at the time of the CBC Radio experimental trial through October of 1994, there were no standardized defined URL addresses yet." Response at 15. However, this ignores that CBC was published in 1996, and that the '504 patent itself uses the term "link" to mean "URL." See Ex. 1013 at 1; Ex. 1001 at 7:53-58, Fig. 1. Furthermore, Personal Audio's expert agreed that as of 1996, URLs were well understood by a person of ordinary skill. See Nelson Dep. at 10:14-21, 29:16-19.

C. CBC is enabling

Prior art publications are presumed to be enabled, "barring any showing to the contrary by a patent applicant or patentee." *In re Antor Media Corp.*, 689 F.3d 1282, 1288 (Fed. Cir. 2012); *see also Google, Inc. et al. v. Jongerius Panoramic Techs., LLC.*, IPR2013-00191, Final Decision, at 37 (PTAB Aug. 12, 2014). In his declaration, Dr. Nelson's sole argument for why CBC is not enabling is that "there is very little explanation given for any of the coding involved." Ex. 2004 at ¶ 55. However when questioned at deposition, Dr. Nelson admitted that creating and updating an HTML website and using a web server was well within the skill of the ordinary artisan. Nelson Dep. at 77:19-82:10. Indeed, the '504 patent itself provides no source code supporting claim 31. *See* Ex. 1001, passim. Thus Personal

Audio's argument fails. SRI Int'l, 511 F.3d at 1193.

IV. Personal Audio Has Waived Any Argument That Claims 32-35 Are Separately Patentable

Personal Audio does not separately discuss claims 32-35 and has therefore waived any argument that claims 32-35 are patentable separate and apart from the patentability of claim 31. *In re Geisler*, 116 F.3d 1465, 1471 (Fed. Cir. 1997).

V. The Alleged "Benefits" of the Invention Do Not Show Nonobviousness

Personal Audio argues that the '504 patent represents an advance over the prior art because the invention "made it possible to automate [the] transfer of desired program files representing a series of episodes without requiring the attention of the remote subscriber." Response at 25. Personal Audio acknowledges that "automatic transfer" is not a component of the claims, but argues that it is a benefit. See Ex. 1034 at 1-2. But the evidence shows that automated transfers were well-known and used prior to the invention. See Ex. 1012 at 4 ("[V]arious script and mirror programs can be used to automatically schedule FTP transfers. Much of the traffic seen with the FTP protocol may be mirror sites and other automatic downloads"). Thus, the alleged "benefit" cannot be used to show nonobviousness. See In re Dillon, 919 F.2d 688, 693 (Fed. Cir. 1990) (rejecting claim of nonobviousness where patentee failed to show properties of alleged invention were not possessed by the prior art).

VI. The Dispute Over the Level of Ordinary Skill is Immaterial

Personal Audio's proposal regarding the level of ordinary skill is based

primarily on statements from Dr. Nelson regarding the level of skill of the

inventors. Response at 7-8. Dr. Nelson's only explanation for his opinion was that

he relied on information from counsel. See Ex. 2004 at ¶ 34. But Personal Audio

refused to allow questions about this issue, claiming privilege. Nelson Dep. at

127:7-21; 148:24-149:18. As a result, the basis for Personal Audio's position is

effectively undisclosed, and is entitled to "little or no weight." 37 C.F.R. § 42.65(a)

(2014). However, regardless of what standard is adopted, the prior art renders

claims 31-35 anticipated and obvious for the reasons described above.

VII. Conclusion

EFF has shown by a preponderance of the evidence that claims 31-35 are

invalid. Personal Audio's arguments regarding patentability are meritless. The

Office should cancel claims 31-35.

Dated: September 19, 2014

Respectfully submitted,

By: /Richard C. Pettus/

Richard C. Pettus (Reg. No. 45,935)

Greenberg Traurig LLP

200 Park Avenue

New York, NY 10166

pettusr@gtlaw.com

Tel. (212) 801-9387

Fax. (212) 801-6400

15

Nicholas A. Brown (*pro hac vice*) Greenberg Traurig LLP 4 Embarcadero Center Suite 3000 San Francisco, CA 94114 brownn@gtlaw.com Tel. (415) 655-1271 Fax. (415) 707-2010

Heath J. Briggs (Reg. No. 54,919) Greenberg Traurig LLP 1200 17th Street, Suite 2400 Denver, CO 80202 briggsh@gtlaw.com Tel. (303) 572-6500 Fax. (303) 572-6540

Certificate of Service

I hereby certify, pursuant to 37 CFR§§ 42.6 and 42.105, that I caused a complete copy of the **ELECTRONIC FRONTIER FOUNDATION'S REPLY TO PATENT OWNER RESPONSE**, to be served via FedEx on the 19th day of September, 2014, the same day as the filing of the above identified document in the United States Patent and Trademark Office/Patent Trial and Appeal Board, upon the patent owner:

Michael J. Femal James P. Hanrath Much Shelist PC 191 N. Wacker Drive, Suite 1800 Chicago, Illinois 60606

By: <u>/Richard C. Pettus/</u>
Richard C. Pettus