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IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF CALIFORNIA

GRACENOTE, INC., a Delaware  
corporation,  
  
Plaintiff,  
  
v.  
  
MUSICMATCH, INC., a Washington  
corporation,  
  
Defendant.

No. C 02-3162 CW  
  
ORDER ADDRESSING  
PARTIES' CROSS  
MOTIONS FOR  
SUMMARY JUDGMENT  
RE: PATENT  
INFRINGEMENT

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Plaintiff Gracenote, Inc. moves for summary judgment on its patent infringement, breach of contract, and trademark infringement claims, as well as on Defendant MusicMatch, Inc.'s invalidity and unenforceability defenses to its patent infringement claims (Docket No. 494). MusicMatch opposes the motion, and cross moves for summary judgment on Gracenote's patent infringement, breach of contract, trademark infringement, intentional interference with prospective economic advantage, negligent interference with prospective economic advantage, and unfair competition claims, as well as its non-infringement, invalidity, and unenforceability affirmative defenses and counterclaims (Docket No. 505).<sup>1</sup> The matter was heard on April

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<sup>1</sup> MusicMatch also moves to strike Exhibits A to H attached to Gracenote's Motion for Summary Judgment (Docket No. 509) and to strike Exhibit A to Gracenote's Reply in Support of its Motion for Summary Judgment (Docket No. 540). The Court agrees with MusicMatch that these documents are tantamount to separate statements of fact and thus prohibited by the Court's scheduling Orders. The Court therefore grants MusicMatch's motions to

1 16, 2004. Having considered all of the papers filed by the  
2 parties and oral argument on the motion, the Court issues this  
3 Order addressing the parties' cross motions for summary judgment  
4 regarding the patent infringement claims.<sup>2</sup>

5 BACKGROUND

6 Defendant MusicMatch produces "Jukebox," a software program  
7 that enables computer users to play, record, copy, and manage  
8 digital music files and CDs. Most of these CDs do not contain  
9 descriptive information about their contents, such as the  
10 identity of the artist, the name of the album, or the title of  
11 each song. To have such information displayed on the computer  
12 screen, customers must either manually enter it into the  
13 computer or obtain it from a database of information available  
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15 strike.

16 Gracenote moves to strike the Declaration of Bradley Kindig  
17 (Docket No. 532), the Rebuttal Report of Bradley Kindig (Docket  
18 No. 567), and the Supplemental Declaration of Stuart Soffer  
19 (Docket No. 566). Gracenote also makes evidentiary objections  
20 to these documents. MusicMatch makes evidentiary objections to  
21 certain testimony offered by Dale Tyson Roberts, Ti Kan, and  
22 Steven Scherf. The Court denies Gracenote's motions to strike.  
23 To the extent that the Court relies upon evidence to which there  
24 is an objection, the parties' objections are overruled. To the  
25 extent that the Court does not rely on such evidence, the  
26 parties' objections are overruled as moot.

27 MusicMatch objects to Gracenote's late submission of  
28 evidence, argument, and case law, in the form of a bench book  
given to the Court at the summary judgment hearing (Docket No.  
582). Gracenote responds that this is simply an accepted use of  
a demonstrative, and further moves to strike MusicMatch's  
objection as an impermissible surreply (Docket No. 596).  
Gracenote's bench book goes beyond a simple demonstrative to  
include additional legal theories not raised in its briefs.  
Gracenote's bench book is not part of the record, and the Court  
will not consider it.

<sup>2</sup> The Court will issue a subsequent Order addressing the  
non-patent-infringement claims.

1 through the internet. MusicMatch's Jukebox product includes  
2 such an internet-based look-up service, called CDi.

3 Plaintiff Gracenote alleges that MusicMatch's Jukebox  
4 product with its CDi look-up service infringes U.S. Patent No.  
5 6,230,192 ('192 patent) and U.S. Patent No. 6,330,593 ('593  
6 patent). In general terms, the '192 patent discloses methods  
7 and systems for using internet-based technologies to retrieve  
8 and deliver to the user content related to the recording being  
9 played. The '593 patent discloses methods and systems for  
10 collecting use data, or data reflecting or relating to the use  
11 of recordings, which may include data representative of a user's  
12 listening behavior and habits. MusicMatch disputes Gracenote's  
13 assertion that its Jukebox product infringes these patents.

14 MusicMatch asserts that the patents-in-suit are invalid, on  
15 the basis that the predecessor to Gracenote's competing CDDB  
16 look-up service, XMCD/CDDB, discloses all of the limitations of  
17 the patents-in-suit, either independently or in combination with  
18 other prior art. XMCD used table of contents data, that is,  
19 data contained on CDs in order to enable CD players to play the  
20 CDs, to create an identifier for each CD. That identifier was  
21 then used to associate the CD with user-entered information  
22 regarding the contents of the CD. As it evolved, XMCD allowed  
23 the album information to be stored on a remote server and shared  
24 by multiple users. CDDB was the name given to the database in  
25 which the identifiers and corresponding album information was  
26 stored. MusicMatch also asserts that the patents-in-suit are  
27 unenforceable based on MusicMatch's willful failure to disclose

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1 XMCD/CDDDB to the Patent and Trademark Office (PTO). Gracernote  
2 disputes these contentions.

3 LEGAL STANDARD

4 Summary judgment is properly granted when no genuine and  
5 disputed issues of material fact remain, and when, viewing the  
6 evidence most favorably to the non-moving party, the movant is  
7 clearly entitled to prevail as a matter of law. Fed. R. Civ.  
8 Proc. 56; Celotex Corp. v. Catrett, 477 U.S. 317, 322-23 (1986);  
9 Eisenberg v. Ins. Co. of N. Am., 815 F.2d 1285, 1288-89 (9th  
10 Cir. 1987).

11 Material facts which would preclude entry of summary  
12 judgment are those which, under applicable substantive law, may  
13 affect the outcome of the case. The substantive law will  
14 identify which facts are material. Anderson v. Liberty Lobby,  
15 Inc., 477 U.S. 242, 248 (1986).

16 The moving party bears the burden of showing that there is  
17 no material factual dispute. Therefore, the Court must regard  
18 as true the opposing party's evidence, if supported by  
19 affidavits or other evidentiary material. Celotex, 477 U.S. at  
20 324; Eisenberg, 815 F.2d at 1289. The Court must draw all  
21 reasonable inferences in favor of the party against whom summary  
22 judgment is sought. Matsushita Elec. Indus. Co. v. Zenith Radio  
23 Corp., 475 U.S. 574, 587 (1986); Intel Corp. v. Hartford  
24 Accident & Indem. Co., 952 F.2d 1551, 1558 (9th Cir. 1991).

25 Where the moving party does not bear the burden of proof on  
26 an issue at trial, the moving party may discharge its burden of  
27 showing that no genuine issue of material fact remains by

1 demonstrating that "there is an absence of evidence to support  
2 the nonmoving party's case." Celotex, 477 U.S. at 325. The  
3 moving party is not required to produce evidence showing the  
4 absence of a material fact on such issues, nor must the moving  
5 party support its motion with evidence negating the non-moving  
6 party's claim. Id.; see also Lujan v. Nat'l Wildlife Fed'n, 497  
7 U.S. 871, 885 (1990); Bhan v. NME Hosps., Inc., 929 F.2d 1404,  
8 1409 (9th Cir. 1991), cert. denied, 502 U.S. 994 (1991). If the  
9 moving party shows an absence of evidence to support the non-  
10 moving party's case, the burden then shifts to the opposing  
11 party to produce "specific evidence, through affidavits or  
12 admissible discovery material, to show that the dispute exists."  
13 Bhan, 929 F.2d at 1409. A complete failure of proof concerning  
14 an essential element of the non-moving party's case necessarily  
15 renders all other facts immaterial. Celotex, 477 U.S. at 323.

16 Where the moving party bears the burden of proof on an  
17 issue at trial, it must, in order to discharge its burden of  
18 showing that no genuine issue of material fact remains, make a  
19 prima facie showing in support of its position on that issue.  
20 See UA Local 343 v. Nor-Cal Plumbing, Inc., 48 F.3d 1465, 1471  
21 (9th Cir. 1994). That is, the moving party must present  
22 evidence that, if uncontroverted at trial, would entitle it to  
23 prevail on that issue. See id.; see also Int'l Shortstop, Inc.  
24 v. Rally's, Inc., 939 F.2d 1257, 1264-65 (5th Cir. 1991). Once  
25 it has done so, the non-moving party must set forth specific  
26 facts controverting the moving party's prima facie case. See UA  
27 Local 343, 48 F.3d at 1471. The non-moving party's "burden of  
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1 contradicting [the moving party's] evidence is not negligible."  
2 Id. This standard does not change merely because resolution of  
3 the relevant issue is "highly fact specific." See id.

#### 4 DISCUSSION

##### 5 I. Patent Infringement

6 Gracenote asserts that MusicMatch's Jukebox player  
7 infringes claims 10, 12, 18, 26, 45, and 58 of the '192 patent  
8 and claims 1, 2, 3, 4, 5, 6, 22, 35, 36, 37, 41, 62, 68, 69, 70,  
9 85, 93, 95, and 96 of the '593 patent. Gracenote moves for  
10 summary judgment of infringement of the claims 10 and 45 of the  
11 '192 patent and claims 22 and 93 of the '593 patent. MusicMatch  
12 moves for summary judgment of non-infringement of all of the  
13 asserted claims. However, MusicMatch's briefs only address  
14 claims 10 and 45 of the '192 patent and claims 22 and 93 of the  
15 '593 patent. For this reason, the Court will focus its analysis  
16 on these claims, and only address infringement of the other  
17 asserted claims to the extent that the other asserted claims  
18 have the same limitations as those contained in the claims on  
19 which Gracenote moves.

##### 20 A. '192 Patent

21 The parties dispute whether the accused devices meet the  
22 claim limitation of "determining an identifier" as required by  
23 claim 10 ("determining an identifier from information associated  
24 with a recording") and claim 45 ("determining an identifier for  
25 the recording") of the '192 patent. The Court construed the  
26 term "determining" to mean "fixing conclusively or  
27 authoritatively" and the term "identifier" to mean "a string of  
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1 characters, sequence of bits or other data that establishes  
2 identity." Gracenote contends that Jukebox meets this  
3 requirement, by "submitting TOC data associated with the  
4 recording to a MusicMatch server and receiving data that  
5 establishes the identity of the recording back from a MusicMatch  
6 server." Johnson-Laird Decl. ¶ 19. MusicMatch does not dispute  
7 this description of Jukebox's functionality, but instead argues  
8 that it does not meet the claim limitation of "determining an  
9 identifier."

10 The Court agrees with MusicMatch. As described by the  
11 parties, Jukebox simply submits TOC data to the server; it does  
12 not first perform some manipulation of that data in order to fix  
13 an identifier, as the claim limitation "determining an  
14 identifier" requires. Indeed, Gracenote does not argue that the  
15 TOC data sent to the server is an identifier; instead, Gracenote  
16 argues that the information returned by the server, such as  
17 album name, artist name, and track titles, constitutes  
18 identifying information. However, this interpretation omits a  
19 crucial step of the methodology claimed in claims 10 and 45 of  
20 the '192 patent. These claims require that an identifier first  
21 be determined and then be used to retrieve relevant information  
22 over the network. See '192 patent claim 10 (reciting a method  
23 consisting of "determining an identifier from information  
24 associated with the recording; comparing the identifier with  
25 records in a database maintained on a remote computer . . . ;  
26 and outputting remote data obtained from the network"); '192  
27 patent claim 45 (reciting a method encompassing the steps of  
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1 "determining an identifier for the recording" and "retrieving  
2 from a remote device via the network a uniform resource locator  
3 related to the identifier"). The album name, artist name, and  
4 track titles returned by the server may or may not meet the  
5 claims' requirement that information be returned from the  
6 server. However, they do not constitute an identifier, because  
7 an identifier is what is used to retrieve the information from  
8 the server. Therefore, the Court grants MusicMatch's motion for  
9 summary judgment of non-infringement of claims 10 and 45 of the  
10 '192 patent.

11 The remaining asserted claims of the '192 patent include  
12 the same "determining an identifier" requirement as claims 10  
13 and 45. See '192 patent claim 12 ("determining an identifier  
14 for the compact disc"); '192 patent claim 18 (dependent claim of  
15 independent claim 12); '192 patent claim 26 ("determining an  
16 identifier for the compact disc"); '192 patent claim 58  
17 ("determining an identifier for the recording"). They also  
18 include the same requirement that an identifier first be  
19 determined and then be used to retrieve relevant information  
20 over the network. See '192 patent claim 12 (reciting a method  
21 encompassing the steps of "determining an identifier for the  
22 compact disc" and "retrieving from a remote device via the  
23 network a uniform resource locator related to the identifier");  
24 '192 patent claim 18 (dependent claim of independent claim 12);  
25 '192 patent claim 26 (reciting a method encompassing the steps  
26 of "determining an identifier for the compact disc" and  
27 "retrieving from a remote device via the network a uniform

1 resource locator related to the identifier"); '192 patent claim  
2 58 (reciting a computer program embodying a method encompassing  
3 the steps of "determining an identifier for the recording" and  
4 "retrieving from a remote device via the network a uniform  
5 resource locator related to the identifier"). Therefore, the  
6 accused devices do not infringe asserted claims 12, 18, 26, and  
7 58 for the same reason that they do not infringe claims 10 and  
8 45. The Court grants MusicMatch's motion for summary judgment  
9 of non-infringement of claims 12, 18, 26, and 58 of the '192  
10 patent.

11 B. '593 Patent

12 The parties dispute whether the accused devices meet the  
13 claim limitation of "identifying at least one segment of a  
14 recording, fixed in a medium possessed by a user, based on  
15 information obtained from contents of the recording stored in  
16 the medium for a purpose other than identifying the recording"  
17 of Claim 22 of the '593 patent. The parties also dispute  
18 whether the accused devices meet the similar claim limitation of  
19 collecting use data associated with a "recording identified by  
20 information obtained from contents of the recording used to play  
21 back contents of the recording perceived by a user" of Claim 93  
22 of the '593 patent. Gracenote asserts that MusicMatch infringes  
23 these claims with respect to the playback of audio tracks that  
24 have been ripped onto a computer hard drive from a CD.<sup>3</sup>  
25 MusicMatch denies this, claiming that when Jukebox rips CD

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26  
27 <sup>3</sup> Gracenote is not asserting that MusicMatch infringes  
28 these claims with respect to the playing of CDs.

1 tracks into electronic audio files, it includes the TOC  
2 information in order to identify the contents of the recording  
3 even though the TOC information is not necessary to enable the  
4 playback of the recording. Gracenote does not contest  
5 MusicMatch's assertion that TOC information is not necessary to  
6 enable the playback of electronic audio files, but argues that  
7 these limitations are nevertheless met because TOC data is  
8 necessary to enable the playback of CDs.

9       However, it is the electronic audio files that are being  
10 played back, not CDs. These claim limitations thus require that  
11 the electronic audio files be identified by information stored  
12 in these files for a purpose other than identifying the  
13 recording (claim 22) or, similarly, that the electronic audio  
14 files be identified by information used to play back these files  
15 (claim 93). According to the undisputed facts submitted by  
16 MusicMatch, the TOC data is stored in the electronic audio files  
17 precisely for the purpose of identifying the recording (claim  
18 22) and is not used to enable playback of the electronic audio  
19 files (claim 93). Therefore, the Court grants MusicMatch's  
20 motion for summary judgment of non-infringement of claims 22 and  
21 93 of the '593 patent.

22       Claims 41, 62, 68, 69, 70, 85, and 95 of the '593 patent  
23 include the same requirement that the electronic audio files be  
24 identified by information stored in these files for a purpose  
25 other than identifying the recording as claim 22 of the '593  
26 patent. See '593 patent claim 41 (reciting a system  
27 encompassing an "identification means for identifying a  
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1 recording based on information obtained from contents of the  
2 recording stored in the medium for a purpose other than  
3 identifying the recording"); '593 patent claim 62 (reciting a  
4 system encompassing a device to "identify the recording from  
5 information obtained from contents of the recording stored in  
6 the medium for a purpose other than identifying the recording");  
7 '593 patent claims 68, 69, and 70 (dependent claims of  
8 independent claim 62); '593 patent claim 85 (dependent claim of  
9 independent claim 22); '593 patent claim 95 (reciting a system  
10 encompassing an "identification means for identifying a  
11 recording based on information obtained from contents of  
12 recording used to play back contents of the recording perceived  
13 by a user"). The remaining asserted claims of the '593 patent,  
14 claims 1, 2, 3, 4, 5, 6, 35, 36, 37, and 96, include the same  
15 requirement -- that the electronic audio files be identified by  
16 information used to play back these files -- as claim 93 does.  
17 See '593 patent claim 1 (reciting a system that includes a  
18 device to "identify the recording from information obtained from  
19 contents of the recording used to play back contents of the  
20 recording perceived by a user"); '592 patent claim 2 (reciting a  
21 method encompassing the step of collecting use data associated  
22 with a recording "identified by information obtained from the  
23 recording used to play back contents of the recording perceived  
24 by the user"); '592 patent claims 3, 4, 5, 6, and 35 (dependent  
25 claims of independent claim 2); '593 patent claims 36 and 37  
26 (dependent claims of claim 35, which is a dependent claim of  
27 claim 2); '593 patent claim 96 (reciting a device to form a

1 process encompassing the step of collecting use data associated  
2 with a recording "identified by information obtained from  
3 contents of the recording used to play back contents of the  
4 recording perceived by a user"). Therefore, the accused devices  
5 do not infringe the remaining asserted claims of the '593 patent  
6 with respect to the playback of audio tracks that have been  
7 ripped onto a computer hard drive from a CD, for the same reason  
8 that they do not infringe claims 22 and 93. The Court grants  
9 MusicMatch's motion for summary judgment of non-infringement of  
10 claims 1, 2, 3, 4, 5, 6, 35, 36, 37, 41, 62, 68, 69, 70, 85, 95,  
11 and 96 of the '593 patent with respect to the playback of audio  
12 tracks that have been ripped onto a computer hard drive from a  
13 CD.<sup>4</sup>

14 C. On-Sale Bar and Patent Misuse

15 MusicMatch also argues that the issue of infringement  
16 cannot be summarily adjudicated in Gracenote's favor because of  
17 the existence of factual disputes with respect to its defenses  
18 of on-sale bar and patent misuse. Neither party has moved for  
19 summary adjudication of these defenses. Because the Court has  
20 already determined that Gracenote is not entitled to summary  
21 adjudication of infringement of the asserted claims of the  
22 patents-in-suit because the undisputed facts do not establish  
23 that the accused devices practice every element of the asserted

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24  
25 <sup>4</sup> Because the parties only briefed the issue of non-  
26 infringement with respect to the playback of audio tracks that  
27 have been ripped onto a computer hard drive from a CD, the Court  
28 has only addressed whether the accused devices infringe the '593  
patent while playing back audio tracks that have been ripped  
onto a computer hard drive from a CD.

