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**Portfolio Media. Inc.** | 860 Broadway, 6th Floor | New York, NY 10003 | [www.law360.com](http://www.law360.com)  
Phone: +1 646 783 7100 | Fax: +1 646 783 7161 | [customerservice@law360.com](mailto:customerservice@law360.com)

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## **B&N Settles Suit Over Online Music Patent**

By **Carolina Bolado**

Law360, New York (August 11, 2011) -- Barnes & Noble Inc. on Thursday became the latest defendant to settle Sharing Sound LLC's patent infringement suit in a Texas federal court targeting a slew of companies over online media distribution technology.

Sharing Sound and Barnes & Noble moved for dismissal of the suit, saying they had agreed to a patent licensing agreement in June. Additional information about the settlement was unavailable, and attorneys for the companies could not immediately be reached for comment.

Longview, Texas-based Sharing Sound filed the suit in May 2010, accusing Barnes & Noble, Amazon.com Inc, Wal-Mart Stores Inc., Netflix Inc., Borders Direct LLC and GameStop Corp. of infringing a patent titled "Distribution of musical products by a website vendor over the Internet," which the company owns by assignment.

Amazon, GameStop and Netflix all signed patent licensing agreements with Sharing Sound earlier this year, leaving just Borders and Wal-Mart as remaining defendants.

Issued in May 2001 to New York businessman Bernhard Fritsch, the patent covers a system for music vending sites where customers access a database to preview and purchase music via the Internet, according to the patent filing.

In Sharing Sound's system, purchased music is either transmitted digitally or shipped to the purchasers, according to the filing.

The defendants each infringe the patent by using their sites to distribute "one or more forms of music, videos, games and/or textual media components or products over the Internet," the complaint said.

At the time of the patent's issuance, its listed inventor Fritsch worked for a subsidiary of MCY.com Inc., a company founded in 1995 that tried to sell music online.

The patents were intended to help MCY market a proprietary system for the digital delivery of music and other media products, according to MCY.

Though MCY made an effort to sell music for some time, it no longer exists, at least online — its site is occupied by a domain-name placeholder and has been since January 2005.

Sharing Sound registered as a corporation in Texas on April 19 but is not required to disclose information on its officers under Texas law. It has no Web presence.

The patent-in-suit is U.S. Patent Number 6,233,682.

Sharing Sound is represented by Andrew W. Spangler of Spangler Law PC.

Barnes & Noble is represented by Dan D. Davison, Richard S. Zembek and Daniel Leventhal of Fulbright & Jaworski LLP.

The case is Sharing Sound LLC v. Amazon.com Inc. et al., case number 2:10-cv-00155, in the U.S.

District Court for the Eastern District of Texas.

--Additional reporting by Richard Vanderford. Editing by Kat Laskowski.

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