

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

INTERACTIVE COMMUNICATIONS INTERNATIONAL, INC.,

Petitioner,

v.

BLACKHAWK NETWORK INC.,

Patent Owner.

Case No. IPR2023-01235

U.S. Patent No. 9,865,135

PETITIONER'S MOTION TO EXCLUDE

Pursuant to 37 C.F.R. §§ 42.62, 42.64(c) and 42.23(b) and the Federal Rules of Evidence, Petitioner respectfully moves to exclude Exhibit 2045. The Federal Rules of Evidence apply to *inter partes* proceedings. 37 C.F.R. § 42.62.

Exhibit 2045 is a June 11, 2024 court filing submitted by Defendant SL Card Company ("SL Card") in the Arizona contract dispute brought by Patent Owner. It provides the factual and legal bases for SL Card's defenses in that matter. Exhibit 2045 was submitted with Patent Owner's sur-reply (Paper 20, "Sur-Reply") in support of Patent Owner's allegation that Petitioner has taken inconsistent positions. Sur-Reply at 9.

First, Exhibit 2045 should be excluded because it was submitted in violation of 37 C.F.R. § 42.23(b), which clearly states a sur-reply "may not be accompanied by new evidence other than deposition transcripts of the cross-examination of any reply witness."

Second, Exhibit 2045 should be excluded because it is not relevant to any issue in this proceeding. FRE 401. As an initial matter, Petitioner Interactive Communications International, Inc. is not SL Card. Nor is SL Card a real party-in-interest to this proceeding. Indeed, although the Board invited Patent Owner to "raise the issue of real party in interest again in its Patent Owner Response" which would allow the parties to fully brief and argue the issue with a complete record (Paper 11 at 11), Patent Owner declined to do so. Thus, Patent Owner does not

dispute Petitioner's position that the only real party-in-interest in this proceeding is Petitioner itself. Pet. 74.

In addition, Patent Owner's argument that "Petitioner ... seeks to advance inconsistent positions" is not at all relevant to the patentability of the '135 patent. Sur-Reply at 9. As discussed below, Petitioner's position here is not inconsistent with SL Card's position in the Arizona litigation. However, any alleged inconsistency has nothing to do with whether the '135 patent is unpatentable, such as whether Patent Owner properly disclaimed scope during prosecution or whether Patent Owner is judicially estopped from arguing disclaimer. It is a patent owner's words and deeds which can affect the scope of a patent's claims, not those of the patent's challenger. See *Hockerson-Halberstadt, Inc. v. Avia Group Int'l, Inc.*, 222 F.3d 951, 957 (Fed. Cir. 2000) ("The prosecution history constitutes a public record of the *patentee's* representations concerning the scope and meaning of the claims, and competitors are entitled to rely on those representations when ascertaining the degree of lawful conduct ...").

Third, Exhibit 2045 is prejudicial to the extent Patent Owner attempts to use the exhibit to establish an inconsistency where there is none. Patent Owner has mischaracterized SL Card's position. SL Card never asserted in the Arizona litigation that Blackhawk in fact disclaimed scope in the '135 Patent. To the contrary, SL Card simply noted in its filing that Blackhawk ***claimed*** in this

proceeding to have disavowed the very embodiment it is relying on in the Arizona litigation to establish intellectual property rights in a product it calls QuickTicket V2. Ex. 2045 at 17 (“Blackhawk **claims** to having expressly disavowed any rights to QuickTicket V2 in the 135 Patent.”) (emphasis added). SL Card was clearly stating that Patent Owner cannot both claim in the Arizona litigation that it owns intellectual property rights in its QuickTicket V2 product while arguing here that the very embodiment it calls the QuickTicket V2 embodiment was disavowed. Indeed, SL Card’s argument is the very same that Petitioner brought here—it is **Patent Owner** who is inconsistently seeking here to disavow claim scope to avoid unpatentability while claiming in Arizona state court that it owns intellectual property rights in the disavowed embodiment.

SL Card’s position in the Arizona litigation is consistent with Petitioner’s argument here. SL Card’s position in the litigation is that if, **as Patent Owner claims**, Patent Owner disavowed the embodiment in the ’135 Patent involving preprinted draw numbers (what Patent Owner refers to as the QuickTicket V2 embodiment), Patent Owner cannot rely on that embodiment to establish intellectual property rights in QuickTicket V2. *Aylus Networks, Inc. v. Apple Inc.*, 856 F.3d 1353, 1364 (Fed. Cir. 2017) (“[S]tatements made by a patent owner during an IPR proceeding, whether before or after an institution decision, can be relied upon to support a finding

of prosecution disclaimer.”). This has been SL Card’s position throughout the case, including in recent pre-trial briefing.

For these reasons, Exhibit 2045 should be excluded.

Date: October 18, 2024

Respectfully submitted,

By: /s/ James M. Glass
James M. Glass

Counsel for Petitioner

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on October 18, 2024, true and correct copies of the foregoing document and supporting materials were served in its entirety on the Patent Owner at the following email addresses:

rhails@bakerlaw.com
jhoffman@bakerlaw.com
Blackhawk135IPR@bakerlaw.com

Date: October 18, 2024

By: /s/ James M. Glass
James Glass
QUINN EMANUEL URQUHART
& SULLIVAN, LLP
51 Madison Avenue, 22nd Floor
New York, NY 10010
Tel: (212) 849-7000
Fax: (212) 849-7100

Counsel for Petitioner