

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

PLR WORLDWIDE SALES LIMITED,
Petitioner

v.

FLIP PHONE GAMES, INC.,
Patent Owner

IPR No. IPR2024-00133

Patent No. 8,688,089

PATENT OWNER'S SUR-REPLY

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EXHIBIT LIST

Exhibit	Description
2001	Playrix's Exchange of Proposed Terms and Claim Elements for Construction, served January 30, 2024
2002	Joint Claim Construction Statement in <i>Flip Phone Games Inc. v. PLR Worldwide Sales Limited</i> , No. 2:23-cv-00139-JRG (E.D. Tex.), Dkt. 71
2003	Declaration of Henry H. Houh, Ph.D., in Support of Playrix's Proposed Claim Constructions
2004	Steven D. Moore, Kilpatrick Biography
2005	Declaration of Dr. Robert Akl, D.SC.
2006	CV of Dr. Robert Akl, D.SC.
2007	Complaint for Patent Infringement, <i>Flip Phone Games Inc. v. PLR Worldwide Sales, Ltd.</i> , No. 2:23-cv-00139-JRG (E.D. Tex.), Dkt. 1
2008	American Heritage® Dictionary, 4 th Edition (2006)
2009	Merriam-Webster's Collegiate Dictionary, 11 th Edition (2007)
2010	MacMillan English Dictionary, 2 nd Edition (2007)
2011	Random House Webster's College Dictionary (2005)

Patent Owner Flip Phone Games, Inc. (“Patent Owner”) submits this Sur-Reply regarding Petitioner PLR Worldwide Sales Limited’s (“Petitioner”) petition for *inter partes* review of U.S. Patent No. 8,688,089 (“the ’089 Patent”).

I. CLAIM CONSTRUCTION

A. “Non-Promotional Background Object”

In an impermissible attempt to reinvent its Petition, on Reply, Petitioner and its expert present new claim construction positions that directly conflict with the Petition. They argue the Board’s construction of “non-promotional background object” is improper and that the term “background object” should instead be construed to mean an object “not needed or required in order to play the game.” Reply at 12–13; Ex. 1020, ¶28. This construction fails as untimely, incorrect, and in conflict with the Petition.

In the Petition, Petitioner represented that no terms in the Challenged Claims require construction. Petition at 13. And Dr. Zagal declared that the Challenged Claims “do not use any specialized terms that would require additional explanation or express definitions.” Ex. 1003, ¶74. Dr. Zagal declared that “[t]he ordinary and customary meaning of the claims and the terms used therein ... would have been understood by a POSITA” (Ex. 1003, ¶74), and he reportedly “applied the ordinary and customary meaning of the claim terms” in rendering his opinions. Ex. 1003, ¶73.

In the Institution Decision on Remand, the Board cited numerous dictionary definitions confirming the plain and ordinary meaning of the term “background” in arriving at its construction of “non-promotional background object”—“an object that is not in the foreground and does not display a promotional message unless a hot spot is activated.” Paper 14 at 15–16, 18. The American Heritage Dictionary defines “background” as “[t]he part of a pictorial representation that appears to be in the distance and that provides relief for the principal objects in the foreground.” Ex. 3002; Ex. 2008 (same). The Merriam-Webster Dictionary similarly defines “background” as “the scenery or ground behind something.” Ex. 3003; Ex. 2009 (same). Additionally, the MacMillan English Dictionary defines “background” as “the part of a picture or pattern that is behind the main people or things in it. The main person or thing is in the foreground.” Ex. 2010. And Random House Webster’s College Dictionary defines “background” as “the grounds or parts, as of a scene, situated in the rear (opposed to *foreground*).” Ex. 2011.

Despite this, on Reply, Petitioner argues that the Board’s construction impermissibly “relies on the subjective perception of a player as to whether a particular object is in the ‘foreground’ or ‘background’ of a scene” and thereby renders the term “indefinite.” Reply at 7, 8; *see id.* at 7 n.3. Petitioner is incorrect.

Fundamentally, Petitioner’s reliance on the Federal Circuit’s decisions in *Datamize* and *Interval Licensing* in support of its argument is misplaced. Reply at 7

n.3. The claims in *Datamize* recited screens on kiosks having an “***aesthetically pleasing*** look and feel.” *Datamize, LLC v. Plumtree Software, Inc.*, 417 F.3d 1342, 1348 (Fed. Cir. 2005).¹ And the claims in *Interval Licensing* recited displaying content “in an ***unobtrusive manner that does not distract a user*** of [a] display device.” *Interval Licensing LLC v. AOL, Inc.*, 766 F.3d 1364, 1368 (Fed. Cir. 2014). In each case, the Federal Circuit held the claim language depended on “unpredictable vagaries of any one person’s opinion” and was thus indefinite. *Datamize*, 417 F.3d at 1350; *Interval Licensing*, 766 F.3d at 1374.

The term “background,” in contrast, does not depend on such “unpredictable vagaries of any one person’s opinion”—as reflected by the well-recognized and consistent understanding of the term reflected in numerous dictionaries. *See* Exs. 2008–2011; 3002–3003. Indeed, and tellingly, Petitioner fails to identify any case wherein the Federal Circuit (or any court, for that matter) has found the term “background” (or “foreground”) to depend on any “unpredictable vagaries of any one person’s opinion” (or otherwise be indefinite). *See* Reply at 7–12.

Moreover, the Federal Circuit has consistently rejected any proposition that claims involving terms of degree—such as “background” and “foreground”—are inherently indefinite. *Sonix Tech. Co. v. Publications Int’l, Ltd.*, 844 F.3d 1370, 1377 (Fed. Cir. 2017) (listing cases). Indeed, the Federal Circuit has confirmed that similar

¹ All emphasis added unless noted.

terms, such as “near” for example, are “not indefinite” despite their meaning being “dictated by context.” *Accentra, Inc. v. Staples, Inc.*, 500 F. App’x 922, 930 (Fed. Cir. 2013); *e.g.*, *Power-One, Inc. v. Artesyn Techs., Inc.*, 599 F.3d 1343, 1348 (Fed. Cir. 2010) (holding the term “near” is “not facially vague or subjective”).

The Federal Circuit’s decision *Sonix* is instructive. The claims there involved the use of a “graphical indicator” to encode information on the surface of an object, wherein the indicator was “visually negligible.” 844 F.3d at 1371–72. During claim construction, the parties agreed that the term “visually negligible” should be given its ordinary meaning. *Id.* at 1374. After expert depositions, however, the defendant newly alleged the term was indefinite and moved for summary judgment. *Id.* at 1375. The district court then held the claims invalid as indefinite, reasoning that the term “visually negligible” was “purely subjective.” *Id.*

The Federal Circuit reversed (*id.* at 1381) and held that, while the term “may be a term of degree, it is not ‘purely subjective,’” because “the normal human eye ... provides an objective baseline through which to interpret the claims.” *Id.* at 1378. The Federal Circuit noted that the intrinsic evidence “support[ed] the conclusion that a skilled artisan would have understood the term with reasonable certainty,” in light of examples described therein. *Id.* at 1378–79. The Federal Circuit also noted that its holding was further supported by the fact that the defendant and its expert

originally agreed to an “ordinary-meaning construction” of the term—demonstrating they “had no difficulty in applying [the term].” *Id.* at 1380.

Petitioner’s “subjective perception” arguments here regarding the term “background” fail for similar reasons as in *Sonix*. As reflected by at least the extrinsic evidence discussed above, and consistent with *Sonix*, the human eye provides a sufficient objective baseline through which to interpret the “background” aspect of the claims. This is confirmed by the intrinsic evidence as well. For example, the applicant described “chalkboard 220” as being in the “background” of the “darts game” illustrated in Figure 2A of the ’089 Patent (whereas “dart board 210” is in the foreground). Ex. 1001, 6:36–54; Ex. 1002 at 122.

And during prosecution of the ’089 Patent, the applicant distinguished the claimed “background object” from Chu’s “pit stop” and “treasure chest” because “they are featured in the *forefront* of game play as primary objects to be manipulated or used during game play.” Ex. 1002 at 85. Chu describes that the “pit stop” is presented in “a racing car game,” suggesting it is featured in the forefront of the game as a primary item to be manipulated (similar to “dart board 210” in the “darts game” in Figure 2A of the ’089 Patent). Ex. 1021, [0063]. And Chu describes that the “treasure chest” is presented in “a room where a treasure chest is to be located,” similarly suggesting that it is featured in the forefront of the room. Ex. 1021, [0065].

Moreover, and similar to *Sonix*, the fact that Petitioner and Dr. Zagal acknowledged and adopted the “ordinary and customary meaning” of “background” (Ex. 1003, ¶¶73–74; Petition at 13) further belies Petitioner’s and Dr. Zagal’s new “subjective perception” argument. *See Sonix*, 844 F.3d at 1380.

For all these reasons, the Board’s construction of “non-promotional background object” does not impermissibly rely on “the subjective perception” of a user, contrary to Petitioner’s suggestion. *See Reply at 7, 8.*² Rather, the Board’s construction correctly applies the ordinary and customary meaning of the term “background” in accordance with both the intrinsic and extrinsic evidence.

For the same reasons, Petitioner’s argument that the “only” proper construction of “background” is “not needed or required in order to play the game” is wrong. *Reply at 12–13.* Petitioner’s argument is based entirely on its suggestion that, during prosecution, the applicant did not distinguish Chu’s objects based on their “location,” but rather only because they were “not themselves needed or required in order to play the game.” *Reply at 12.* This is incorrect.

² Petitioner’s argument that the term “background object” relies on the “subjective perception of a player” in light of “infringement contentions in the related district court case” (*Reply at 8–9*) is a red herring. The Board has no authority to, and need not, adjudicate infringement. In any event, the alleged “non-promotional background object” identified in those contentions is a plant growing out of the ground and appearing in the scenery of the game behind the player avatars (Ex. 1019 at 7–8)—*i.e.*, in the background of the game. *See, e.g.*, Ex. 3003 (defining “background” as “the scenery or ground behind something”); Ex. 2009 (same).

The applicant, in fact, stated: “[Chu’s] objects are not ‘non-promotional background objects’ at least because they are *featured in the forefront of game play* as primary objects to be manipulated or used during game play []. For this reason, Chu’s objects ... are not ‘*background*’ objects, as recited in the pending claims.” Ex. 1002 at 85. And while the applicant also distinguished the claimed “non-promotional background objects” from Chu’s “game component[s]” by noting the claimed “background objects” are not “themselves needed or required in order to play the game,” that distinction was made with respect to the “*object*” aspect of the claim (as compared to Chu’s “game components”)—not the “background” aspect of the claim. Ex. 1002 at 85.

B. Patentable Weight

Petitioner argues the terms “non-promotional” and “background” should receive no patentable weight under the printed matter doctrine because the terms purportedly describe and claim only the “content” of the claimed “objects.” Reply at 2, 6. But Petitioner over-simplifies both the doctrine and the Challenged Claims.

As discussed in Patent Owner’s Response, “[p]rinted matter encompasses what is communicated—the content or information being communicated—rather than the act of a communication itself.” *IOENGINE, LLC v. Ingenico Inc.*, 100 F.4th 1395, 1404 (Fed. Cir. 2024). The claimed “non-promotional background objects” do not recite “the content or information being communicated.” *Id.* Rather, the claimed

“objects” designate a functional, structural “location in-game associated with activating [a] hot spot.” *E.g.*, Ex. 1001 at 14:27–29. And, per the Challenged Claims, the content associated with the “hot spot” (“hidden promotional content”) is only communicated “when the hot spot is activated” (*i.e.*, the function of the “non-promotional background object” is engaged). *E.g.*, Ex. 1001 at 14:30–32.³

The claimed “non-promotional background objects” are thus similar to the “web assets” in *Distefano* and the “encrypted communications” in *IOENGINE*—each of which were found not to involve any printed matter. *See* Response at 15–16. In *Distefano*, the Federal Circuit held that although the claimed “web assets”—such as “background images”—“can and likely do communicate some information, the content of the information is not claimed.” *In re Distefano*, 808 F.3d 845, 847, 850 (Fed. Cir. 2015). And in *IOENGINE*, the Federal Circuit held that “encrypted communications” do not constitute printed matter because: “The fact that there is a communication itself is not content; content is what the communication actually says. Nor is the form of a communication, such as whether the communication is encrypted, considered to be content.” *IOENGINE*, 100 F.4th at 1404.

³ Even then, no particular content (*e.g.*, medical instructions) is claimed in the ’089 Patent. *Cf. AstraZeneca LP v. Apotex, Inc.*, 633 F.3d 1042, 1063–65 (Fed. Cir. 2010) (finding an FDA label providing the dosage instructions for using a medical product was printed matter); *see King Pharmaceuticals, Inc. v. Eon Labs, Inc.*, 616 F.3d 1267 (Fed. Cir. 2010) (similar).

Similarly, here the claimed “non-promotional background objects” associated with the claimed “hot spots” are akin to the “form” of a communication (*i.e.*, the “content” to be presented on activation of the “hot spot”). The “non-promotional background object” is not claiming any “communicative content,” such as “medical instructions.” *See IOENGINE*, 100 F.4th at 1404. Petitioner’s suggestion that the use of “background” in “background object” claims the **content** of the “object” is thus wrong. Reply at 6. As discussed, the “background” aspect of the “object” concerns its **location** in the gaming environment. *See, e.g.*, Ex. 1001, 6:36–54; Ex. 1002 at 122; Ex. 1002 at 85; Exs. 2008–2011; 3002–3003.

Petitioner’s suggestion that the printed matter doctrine applies because the process for displaying information on activation of a “hot spot” is no different whether the “in-game location associated with activating the hot spot” is represented by a “non-promotional background object” or some other object (*e.g.*, a “foreground” object) fails for similar reasons. *See* Reply at 5–6. Indeed, Petitioner’s argument only emphasizes that the “**non-promotional background** object” is claimed for its specific form—like the “**encrypted** communication” in *IOENGINE*—not the specific content or information being communicated.

II. GROUND 1: HO, IN VIEW OF JIAU AND CHOI, DOES NOT RENDER OBVIOUS CLAIMS 1–3 AND 6–8

A. Ho, in view of Jiau and/or Choi, Does Not Render Obvious Independent Claims 1 and 6

i. Ho Does Not Disclose or Suggest the Claimed “Non-Promotional Background Object”

As discussed in Patent Owner’s Response, Ho fails to disclose “a location in-game associated with activating the hot spot, wherein the location in-game is represented by a non-promotional *background* object.” *See* Response at 18–24. Petitioner’s arguments otherwise are undercut by both the evidence of record and arguments in the Petition and Dr. Zagal’s testimony.

Applying the Board’s construction, Petitioner argues that Ho discloses the claimed “non-promotional background object” solely because its Figure 3 allegedly shows “hamburger monster” (56) “in the background of the scene relative to other objects in the foreground (such as wings 54, car 58, and player character 52).” Reply at 13. Petitioner relies exclusively on the new testimony of its expert, Dr. Zagal, in support of its new conclusion regarding Figure 3 of Ho. Reply at 14 (citing Ex. 1020, ¶¶31–32). Dr. Zagal’s testimony, however, merely repeats Petitioner’s argument—nearly verbatim—and thus is entitled little to no weight. Ex. 1020, ¶¶31–32; *see MarkForged Inc. v. Continuous Composites, Inc.*, IPR2022-01431, Paper 7, at 14 (P.T.A.B. Jan. 18, 2023) (“[Expert’s] declaration testimony ... is entitled to little to no weight as it merely parrots the Petition.”).

Moreover, Petitioner’s new argument contradicts the arguments and testimony Petitioner and Dr. Zagal presented in support of the Petition. The Petition never addressed whether “hamburger monster 56” was in the “background” (*i.e.*, not the foreground) of Figure 3 of Ho. *See* Paper 14 at 49. Rather, Petitioner and Dr. Zagal argued only that Ho’s “interactive information elements” may be considered “non-promotional background objects” because (i) “engagement of the at least one interactive information element may be not mandatory for the continuation of gameplay” (“*i.e.*, it is not needed or required in order to play the game”); and (ii) “activating the interactive element ‘does not disrupt gameplay’ (*i.e.*, it is outside the primary focus of gameplay).” Petition at 31–32; *see* Ex. 1003, ¶122. As discussed in Patent Owner’s Response (at 21–24), these arguments fail, including for the reasons the Board previously noted. *See* Paper 14 at 48–51.

Petitioner’s suggestion—for the first time in Reply—that hamburger monster 56 was in the “background” of Figure 3 all along fails scrutiny. In fact, each of Ho’s “interactive information elements” illustrated in Figure 3 is in the foreground, as the Board previously noted. Ex. 1004 at Fig. 3; *see* Ex. 2005, ¶60; *see also* Paper 14 at 50 (“Figure 3 [] is an example of the embodiment of Ho showing a wings button, car, and hamburger monster in the foreground.”). This disclosure in Figure 3 is consistent with other Figures in Ho, which likewise—and undisputedly—show “interactive information elements” in the foreground of the game. Ex. 1004 at 4:29–

34, Fig. 6 (206); Ex. 1004 at 4:34–36, Fig. 7 (212); Ex. 1004 at 4:36–39, Fig. 8 (218); *see* Ex. 2005, ¶¶61–63.

The display of Ho’s interactive information elements, including hamburger monster 56, in the foreground of Ho’s game in each of Ho’s Figures is also consistent with Ho’s description that its interactive information elements are game elements that a user is prominently presented with and encouraged to engage and interact with (*see, e.g.*, Ex. 1004 at 4:22–29)—not “background” elements. *See* Ex. 2005, ¶¶59, 64. Specifically, Ho describes that, “[i]n the course of gameplay,” a player is presented “an option to engage the at least one interactive information element,” such as “a hamburger monster 56.” Ex. 1004 at 4:22–23, 5:1–5. Like Chu’s game components distinguished during prosecution, Ho’s interactive information elements are thus “featured in the forefront of game play as primary objects to be manipulated or used during game play.” Ex. 1002 at 85.

Petitioner’s argument that the “player character 52” must follow an “arrow” illustrated in Figure 3 of Ho to “approach the hamburger monster” (Reply at 14) does nothing to show that the hamburger monster “began as a background object” at some earlier, unidentified time in the gameplay, as Petitioner speculates. Reply at 14. Indeed, the only purported evidence Petitioner cites in support of its speculation is the equally speculative testimony of Dr. Zagal. Reply at 14 (citing Ex. 1020, ¶32). Dr. Zagal states, with respect to the “arrow” in Figure 3 of Ho: “A POSITA would

understand that in a 3D game where the player moves through the game world, the hamburger monster would initially be seen in the background” Ex. 1020, ¶32.

Critically, however, Dr. Zagal’s speculative testimony is not supported by any evidence or analysis. *See* Ex. 1020, ¶32. Rather, it is purely conclusory. And the Federal Circuit has consistently “rejected obviousness determinations based on conclusory and unsupported expert testimony,” noting that “crediting such testimony risks allowing the challenger to use the challenged patent as a roadmap to reconstruct the claimed invention using disparate elements from the prior art—i.e., the impermissible *ex post* reasoning and hindsight bias that *KSR* warned against.” *TQ Delta, LLC v. Cisco Sys., Inc.*, 942 F.3d 1352, 1361 (Fed. Cir. 2019). A petitioner must, instead, supply the factual basis for the challenge and may not “resort to speculation, unfounded assumptions or hindsight reconstruction to supply deficiencies in its factual basis.” *In re Warner*, 379 F.2d 1011, 1017 (C.C.P.A. 1967).

The Board “cannot accept” Dr. Zagal’s unsupported general speculation “as a replacement for documentary evidence for core factual findings in a determination of patentability.” *K/S Himpp v. Hear-Wear Techs., LLC*, 751 F.3d 1362, 1366 (Fed. Cir. 2014). This is especially true here, as Ho contradicts Dr. Zagal’s speculative testimony. As discussed, while Ho includes numerous Figures illustrating different instances and progress of gameplay in Ho, no Figure in Ho illustrates any interactive

information element in the “background” of Ho’s gaming environment. *See* Ex. 1004, Figs. 3, 6, 7, 8; *see also* Ex. 2005, ¶¶60–65.

ii. Jiau Does Not Disclose or Suggest the Claimed “Non-Promotional Background Object”

Petitioner’s resort to Jiau in its Reply to cure Ho’s deficiencies with respect to the claimed “non-promotional background object” is unavailing. Reply at 14–16. Indeed, Petitioner’s argument is—once again—divorced from the original theory set forth by Petitioner and Dr. Zagal in support of the Petition.

The Petition suggests Jiau’s “*hot space*” is an “in-game location” that “may cause a pop-up advertisement to unexpectedly appear when a user passes through a background location within a predetermined distance of an associated object.” Petition at 32. The Petitioner contends “[i]t would have been obvious to a POSITA ... that a hot space may define a region that contains one of several types of background objects disclosed by Jiau, such as a ‘solid object’ or an ‘object with a pass-through.’” *Id.* And Dr. Zagal similarly stated: “Jiau’s ‘*hot spaces*’ in particular correspond to ‘background’ objects” Ex. 1003, ¶124.

Thus, as the Board correctly noted, the Petition “focuses on Jiau’s *hot spaces*.” Paper 14 at 51. Critically, however, Jiau’s “hot spaces” are not “background *objects*”—as the Board previously found. *See* Ex. 2005, ¶67; *see also* Paper 14 at 52 (“[A] hot space is not an object”). Rather, Jiau’s “hot space” is “a predetermined space surrounding an object.” Ex. 1005 at 16:29–17:1; *see* Paper 14 at 52. Indeed,

Jiau expressly distinguishes “hotspaces” from Jiau’s “hotspots,” which are associated with “objects” in Jiau. Ex. 1005 at 16:29–17; *see* Ex. 2005, ¶67.

Petitioner impermissibly ignores both the limited scope of the Petition and these specific disclosures of Jiau in its new argument in Reply. In particular, Petitioner argues that “object 320 and its associated *hot spot* appear in the background” of Figure 11(d) of Jiau (at least “relative to static object 1184”). Reply at 15. Fundamentally, this conflicts with Jiau, which expressly describes that “object 320” in Figure 11(d) has a “*hotpace* [] defined around object 320”—not a “hot spot,” as Petitioner argues. Ex. 1005, 15:3–8. Indeed, Jiau describes that “a pop-up advertisement 1182 [] is activated when the user’s location becomes within a predetermined virtual distance” (i.e., *space*) of “object 320.” Ex. 1005, 15:3–8. And as discussed, that “hotpace” is “not an object” (let alone a “background object”). Paper 14 at 52; *see* Ex. 2005, ¶67.

In any event, Petitioner’s new suggestion that “object 320” appears in the “background” of Figure 11(d) of Jiau is undercut by previous, inconsistent positions Petitioner and Dr. Zagal took in the Petition. Petitioner’s new suggestion that “object 320” has appeared in the “background” of Figure 11(d) of Jiau all along is belied by Petitioner’s and Dr. Zagal’s failure to identify “object 320” *at all* in the Petition—let alone as an alleged “background object.” *See* Petition at 32; Ex. 1003, ¶124; *see*

also Paper 14 at 51–52 (noting “Petitioner does not sufficiently explain how a ‘solid object’ or an ‘object with a pass-through’ is a background object.”).

Further, that “object 320” is illustrated a tad deeper than “object 1184” in Figure 11(d) of Jiau based on the “grid” shown therein (Reply at 15) fails to demonstrate that “object 320” is or would be understood as a “background object” under the Board’s construction (*i.e.*, “an object that is not in the foreground”). *See* Paper 14 at 18. Indeed, the plain and ordinary meaning of the term “background” refers to “the grounds or parts, as of a scene, situated in the rear” (Ex. 2011; *see* Ex. 3003; Ex. 2009) “that provides relief for the principal objects in the foreground” (Ex. 3002; Ex. 2008). Unlike the clouds shown in the background of Figure 11(d) of Jiau, “object 320” is not situated in the rear of Figure 11(d) as part of the scene to provide relief for objects in the foreground. *See* Ex. 1005, Fig. 11(d); *see also* Ex. 2005, ¶71. This is especially true given that the “hotspot” associated with “object 320” necessarily extends out a “virtual distance” into the “virtual world” of Figure 11(d), so that the associated “advertisement 1282 pops up” “[w]hen the user approaches object 320.” Ex. 1005, 15:3–8; *see* Ex. 2005, ¶71.

B. Ho, in view of Jiau and/or Choi, Does Not Render Obvious Dependent Claims 3 and 7

The Petition fails to address how Choi’s “location-specific advertising content” is “*pre-selected* based on the proximity of the mobile communication device to a physical location related to [advertising] content,” as required by

dependent claims 3 and 7. *See* Petition at 36. Conceding as much, Petitioner newly argues in Reply that Choi’s ads are “selected ahead of time.” Reply at 18. Petitioner, however, fails to cite any portion of Choi or Dr. Zagal’s testimony in support of that new contention. As most, Petitioner points only to a ***different reference*** (Hays) in a ***different proceeding*** that allegedly discloses pre-selection of ads based on “time of day” and “game play date.” Reply at 18. That reference is not part of any ground in the Petition nor otherwise of record here. The Board should thus disregard it and Petitioner’s argument fails. *See Intelligent Bio-Systems, Inc. v. Illumina Cambridge Ltd.*, 821 F.3d 1359, 1370 (Fed. Cir. 2016); *Wasica Finance GmbH v. Continental Automotive Sys., Inc.*, 853 F.3d 1272, 1286–87 (Fed. Cir. 2017); *Intel Corp. v. PACT XPP Schweiz AG*, No. 2023-1537, 2024 WL 5068112 (Fed. Cir. Dec. 11, 2024).

C. Ho, in view of Jiau and/or Choi, Does Not Render Obvious Dependent Claim 8

Dependent claim 8 requires that “***the hot spot information***” in claim 6 is “pre-selected by the server” based on certain criteria. ’089 Patent, 15:5–10. The Petition urges that Choi teaches this limitation based on pre-selection of “***advertising content***” alone. Petition at 40. The Petition fails to address how Choi discloses or renders obvious pre-selecting the “location in-game associated with activating the hot spot ...”—the other half of the claimed “hot spot information”—based on the factors recited in dependent claim 8.

Petitioner does not dispute this failure, but suggests it is immaterial because “Choi is relied on as part of an obviousness combination with Ho and Jiau—which undisputedly disclose hot spot information.” Reply at 19. But the Petition is silent as to any disclosure in either Ho or Jiau that teaches or suggests that Ho’s “interactive information element” or Jiau’s “hotspot” is “pre-selected by the server” based on the criteria recited in claim 8. *See* Petition at 40–41. Thus, the Petition cannot carry its burden with respect to dependent claim 8.

III. GROUND 3: STURMAN, IN VIEW OF HO, DOES NOT RENDER OBVIOUS CLAIMS 1–10

A. Sturman, in view of Ho, Does Not Render Obvious Independent Claims 1 and 6

Petitioner acknowledges that Sturman fails to disclose or render obvious the “hot spot information” recited by the Challenged Claims. *See* Response at 34–37. Indeed, Petitioner concedes that Ground 3 “relies on Ho’s interactive information elements as disclosing the claimed ‘hot spot information.’” Reply at 20. As such, Ground 3 necessarily relies on a modification of Sturman to incorporate Ho’s teachings “to make Sturman’s advertisements interactive, such that they are provided as a hot spot corresponding to an in-game character or object, with the advertisement appearing only when a player interacts with the hot spot location.” Petition at 49–50, 53–59.

Petitioner fails to carry its burden to establish a motivation to modify Sturman.

See Response at 37–44. As discussed in Patent Owner’s Response, modifying Sturman in view of Ho to make Sturman’s advertisement(s) appear “only when a player interacts with [a] hot spot location” (Petition at 50) would be inconsistent with Sturman’s invention and corresponding goals. See Ex. 2005, ¶¶82–86. Sturman describes an “advertisement delivery scheme” that is focused on an *advertiser’s specific control of the timing* of the display of its advertisements to game players. See Response at 40–41. A POSITA thus would not have been motivated to modify Sturman such that the ads therein are “not displayed initially” and, instead, “only presented” at some later, varied, and unspecified times (if at all)—*i.e.*, when a respective player activates the otherwise hidden advertisement in Sturman’s ad unit. Ex. 2005, ¶¶82–86; see Petition at 53.

Petitioner argues the detailed and repeated teachings in Sturman emphasizing such timing control are immaterial “isolated examples” because Sturman never explicitly requires that its ads “must be immediately displayed to user without any engagement or interaction.” Reply at 21; see *id.* at 22. Rather, Petitioner argues that Sturman’s single passing reference to a vague desire for “an effective advertisement campaign” (Ex. 1006, [0005]) provides a “clear motivation” to modify Sturman in view of Ho to require user interaction to display Sturman’s ads. Reply at 22.

These arguments by Petitioner are nothing more than a failed attempt to reverse the burden of proof. Petitioner fails to identify any specific, sufficient motivation to modify *Sturman* in view of *Ho*. Indeed, Petitioner's new claim that a POSITA would have modified *Sturman* in view of *Ho* because *Sturman* disparages "hard-coded" (or "static") advertisements (Reply at 21) is misplaced. In fact, *Sturman* describes that the drawback of conventional "hard-coded" advertisements built into a game is that they must be "displayed consistently (e.g., at the same place/time) in the game." Ex. 1006, [0003]. *Sturman* explains this results in "inflexible timing" for advertisers, preventing them from reaching players "during a single night," for example. Ex. 1006, [0004]. The invention of *Sturman*, in contrast, allows advertisers the control to publish advertisements more flexibly, such as at a specific "time of day" (e.g., "8 p.m. on Thursday"). Ex. 1006, [0023]. This would not be possible, however, if *Sturman* were modified such that its ads appear in the game "only when a player interacts with [a] hot spot location," as Petitioner proposes (in hindsight). *E.g.*, Petition at 50.

Petitioner's suggestion that *Sturman*'s purported recognition of the "value of interactive ads" (Reply at 23) motivates a POSITA to apply *Ho*'s teachings about "interactive information elements" to *Sturman* likewise misses the mark. *Sturman* describes an ad unit as "interactive" in the sense that a game character may be able to interact with or utilize the ad unit within the game to progress in the game

environment (*e.g.*, “eating a brand name energy bar to boost [] power in the game”). Ex. 1006, [0020]; *see* Ex. 2005, ¶80. Sturman never suggests that an ad unit should be “interactive” in the sense that the advertisement content associated with the ad unit (*e.g.*, the “brand name” of the “energy bar”) is not displayed until a game character activates the advertisement content within the ad unit. Ex. 2005, ¶80.

For all these reasons, Petitioner has failed to demonstrate that a POSITA would have been motivated to apply Ho’s teachings to Sturman’s “ad units”—let alone to any purported “background” “ad unit” allegedly disclosed by Sturman. Indeed, the Petition concedes that Sturman’s “storefront signs” and “Jumbotron screens”—the alleged “background” objects—are “*non-interactive* elements.” Petition at 51. Additionally, Ho’s teachings with respect to activating “interactive” game elements to display advertisements (Ex. 1004 at 5:27–38) are with respect to elements that are prominently presented in the *foreground* of the game for user engagement, as discussed. Ex. 1004 at 4:22–23, 4:28–29, 5:1–5, Fig. 3; *see* Ex. 2005, ¶95; *see also* Ex. 2005, ¶¶59–64.

B. Sturman, in view of Ho, Does Not Render Obvious Dependent Claims 3 and 7

The Petition fails to address how Sturman’s advertising content is “*pre-selected* based on the proximity of the mobile communication device to a physical location related to [advertising] content,” as required by dependent claims 3 and 7. *See* Petition at 60. Conceding as much, Petitioner newly argues in Reply that

Sturman “demonstrates pre-selection because ads are selected from a pool of ads pre-selected based on criteria such as geographic location.” Reply at 26. Petitioner, however, fails to cite any portion of Sturman or Dr. Zagal’s testimony in support of that new contention. As most, Petitioner points only to a *different reference* (Hays) in a *different proceeding* that allegedly discloses pre-selection of ads. Reply at 26; *see id.* at 18. That reference is not part of any ground in the Petition nor otherwise of record here. Petitioner’s argument thus fails. *See, e.g., Intelligent Bio-Systems*, 821 F.3d at 1370.

C. Sturman, in view of Ho, Does Not Render Obvious Dependent Claims 4 and 9

Dependent claims 4 and 9 require “tracking *the hot spot information* that has been downloaded to the mobile communication device.” The Petition contends that Sturman alone teaches this limitation through its recording of “*advertisements*.” Petition at 61. The Petition fails to address how Sturman discloses or renders obvious tracking the “location in-game associated with activating the hot spot, wherein the location in-game is represented by a non-promotional background object”—the other half of the claimed “hot spot information.” *See* Petition at 61.

Petitioner does not dispute this failure, but suggests it is immaterial because in the combination with Ho, “Sturman’s advertisements are sent as hot spot information.” Reply at 27. But the Petition is silent as to any disclosure in Ho that teaches or suggests tracking Ho’s “interactive information element”—the alleged

“hot spot information” in the combination (Reply at 20). In fact, the Petition acknowledges that “Ho does not expressly disclose tracking the hot spot information that has been downloaded to the mobile device.” Petition at 46. Thus, the Petition cannot carry its burden with respect to dependent claims 4 and 9.

D. Sturman, in view of Ho, Does Not Render Obvious Dependent Claim 8

Dependent claim 8 requires that “*the hot spot information*” in claim 6 is “pre-selected by the server” based on certain criteria. ’089 Patent, 15:5–10. The Petition urges that Sturman teaches this limitation based on pre-selection of an “*advertisement*” alone. Petition at 63. The Petition fails to address how Sturman discloses or renders obvious pre-selecting the “location in-game associated with activating the hot spot ...”—the other half of the claimed “hot spot information”—based on the factors recited in dependent claim 8.

Petitioner does not dispute this failure, but suggests it is immaterial because in the combination with Ho, “Sturman’s advertisements are delivered as hot spot information.” Reply at 28. But the Petition is silent as to any disclosure in Ho that teaches or suggests that Ho’s “interactive information element”—the alleged “hot spot information” in the combination (Reply at 20)—is “pre-selected by the server” based on the criteria recited in claim 8. *See* Petition at 63–64. Thus, the Petition cannot carry its burden with respect to dependent claim 8.

IV. CONCLUSION

Petitioner fails to shoulder its burden of establishing that the Challenged Claims are unpatentable.

Dated: June 30, 2025

Respectfully submitted,

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CERTIFICATE OF WORD COUNT

Pursuant to 37 C.F.R. § 42.24(d), the undersigned certifies that this Patent Owner's Sur-Reply contains 5,593 words according to the word-processing program used to prepare this paper. The foregoing word count complies with the 5,600 word type-volume limit specified by 37 C.F.R. § 42.24(c)(4).

Dated: June 30, 2025

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CERTIFICATE OF SERVICE

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