

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. IPR2024-00465
U.S. Patent No. 11,488,451

PATENT OWNER'S CORRECTED RESPONSE

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EXHIBIT LIST

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EX2001	Declaration of Jason Hoffman in Support of Patent Owner’s Motion for <i>Pro Hac Vice</i> Admission.
EX2002	SL Card Company’s Amended Answer to Complaint, Affirmative Defenses and Counterclaims, <i>Blackhawk Network, Inc. v. SL Card Company Inc.</i> , No. 2022-051638 (Superior Court of Ariz.), dated July 19, 2023.
EX2003	Product Distribution Agreement between Blackhawk Network, Inc., SL Card Company Inc., and Linq3 Technologies LLC, effective January 1, 2017.
EX2004	Blackhawk confidential presentation entitled “New Products Discussion: BHN Linq3,” dated May 2018, and May 8, 2018 cover e-mail.
EX2005	Correspondence, California Lottery to Linq3, dated November 9, 2017.
EX2006	Blackhawk and Linq3 e-mail correspondence, dated February 14, 2018, re “Texas-Gary Grief, Lottery Director.”
EX2007	Blackhawk and Linq3 e-mail correspondence, dated April 26, 2018, re “AZ Update 4-26-2108.”
EX2008	Blackhawk and Linq3 e-mail correspondence, dated November 9-11, 2018, re “Hugo Lopez: Response to Your Letter.”
EX2009	Ontario Lottery & Gaming Annual Report 2017-2018
EX2010	Blackhawk and Linq3 e-mail correspondence Nov. 10-13, 2017 re “California Lottery – Lopez Summary.”
EX2011	Blackhawk and Linq3 e-mail correspondence, dated Dec. 7, 2017, re QuickTicket.
EX2012	Blackhawk confidential presentation entitled “QuickTicket,” dated December 2017.

EXHIBIT	DESCRIPTION
EX2013	Blackhawk confidential e-mail correspondence, dated May 1, 2018, re “New Products Deck- BHN Linq3,” and attachment.
EX2014	Blackhawk and Linq3 e-mail correspondence, dated September 17, 2018, re “Linq3-Blackhawk Amendment re QuickTicket.”
EX2015	Canadian Patent Application 2 855 434, entitled “Pre-Printed Lottery Tickets Systems and Methods,” filed July 3, 2014.
EX2016	Patent Assignment OLG to BHN Canada, March 2016
EX2017	Patent Assignment Agreement, dated August 30, 2016.
EX2018	U.S. Patent 10,229,561, entitled “Processing of a User Device Game-Playing Transaction based on Location,” filed June 18, 2018.
EX2019	U.S. Patent 10,217,326, entitled “Processing of a User Device Game-Playing Transaction based on Location,” filed November 20, 2017.
EX2020	U.S. Patent No. D877,812, entitled “Quick ticket for lottery,” filed August 22, 2018.
EX2021	U.S. Patent No. 10,943,432, entitled “Processing of a Game-Playing Transaction based on Location,” filed March 12, 2019.
EX2022	U.S. Patent No. 10,943,438, entitled “Processing of a Game-Playing Transaction based on Location,” filed March 11, 2019.
EX2023	Prosecution History of Trademark Appl’n. 87/953,104 to QUICKTICKET.
EX2024	Motion To Dismiss Second Amended Complaint Under Federal Rules of Civil Procedure 12(B)(1), 12(B)(2), and 12(B)(6) by Defendants Interactive Communications International, Inc. and E2interactive, Inc., <i>Blackhawk Network, Inc. v. SL Card Company Inc.</i> , c.a. CV-21-00813-PHX-MTL (D. Az.), filed August 18, 2021, with Exhibit A thereto.
EX2025	Press Release, “InComm Expands into Lottery Industry with Linq3 Technologies Acquisition,” dated March 12, 2019.

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EX2026	InComm Webpage, “About Us - InComm Payments,” https://www.incomm.com/about-us/ (retrieved Nov. 9, 2023).
EX2027	InComm Webpage, “Helping Consumers Cash In With Ease,” https://www.incomm.com/products/lottery-gaming/ (retrieved Nov. 6, 2023).
EX2028	USPTO Assignment Record Search
EX2029	U.S. Patent No. 11,580,823, entitled “Processing of a Game-Playing Transaction based on Location,” filed March 9, 2021.
EX2030	U.S. Patent No. 11,776,355, entitled “Processing of a Game-Playing Transaction based on Location,” filed March 9, 2021.
EX2031	USPTO Patent Center report re Continuity of U.S. Appl’n. 16/010,398 (dated November 6, 2023).
EX2032	Scheduling Order, <i>Blackhawk Network, Inc. v. SL Card Company Inc.</i> , No. 2022-051638 (Superior Court of Ariz.), dated March 13, 2023.
EX2033	Order Regarding Briefing on Blackhawk’s Motion for Reconsideration, <i>Blackhawk Network, Inc. v. SL Card Company Inc.</i> , No. 2022-051638 (Superior Court of Ariz.), dated April 11, 2024.
EX2034	Declaration of James McDonald
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EX2036	Complaint, <i>Blackhawk Network, Inc. v. SL Card Company Inc.</i> , No. 2022-051638 (Superior Court of Ariz.), dated May 23, 2022.
EX2037	Interactive Communications International, Inc., v. Blackhawk Network Inc., IPR2023-01235, Paper 2 (Petition for <i>Inter Partes</i> Review of U.S. Patent No. 9,865,135).
EX2038	Annual Registration for HI Technology Corp. in the State of Georgia (April 7, 2022).

EXHIBIT	DESCRIPTION
EX2039	Annual Report for Interactive Communications International, Inc. in the State of Arizona (June 14, 2021).
EX2040	Annual Registration for e2Interactive, Inc. in the State of Georgia (February 3, 2021).
EX2041	Annual Report for SL Card Company, Inc. in the State of Arizona (December 7, 2022).
EX2042	Annual Report for SL Card Company, Inc. in the State of Arizona (November 7, 2019).
EX2043	Watertower Ventures LinkedIn Webpage, “Thomas Spiegel,” https://www.linkedin.com/in/thomas-spiegel-20682916 https://www.watertowerventures.com/Team/tom-spiegel (retrieved Apr. 2124, 2024).
EX2044	U.S. Patent No. 9,865,135
EX2045	Interactive Communications International, Inc., v. Blackhawk Network Inc., IPR2023-01235, Paper 7 (Patent Owner’s Preliminary Response – Public Version).
EX2046	Order Granting In-Part and Denying In-Part Motions to Exclude Testimony of Robert Stoll, Timothy Newholm, and Stacy Friedman, <i>Blackhawk Network, Inc. v. SL Card Company Inc.</i> , No. 2022-051638 (Superior Court of Ariz.), dated January 19, 2024.
EX2047	Rulings on Motions for Partial Summary Judgment, <i>Blackhawk Network, Inc. v. SL Card Company Inc.</i> , No. 2022-051638 (Superior Court of Ariz.), dated February 23, 2024.
EX2048	Deposition of Michael Hutton, EX2044 in IPR2023-01235 (May 2, 2024).
EX2049	Szrek, U.S. Patent 7,627,497 as annotated during Hutton Deposition (EX2051).
EX2050	Szrek, U.S. Patent 7,627,497 also as annotated during Hutton Deposition (EX2051).

EXHIBIT	DESCRIPTION
EX2051	Deposition of Michael Hutton (October 16, 2024).
EX2052	Declaration of Jeffrey Miller, Ph.D.
EX2053	Jeffrey Miller curriculum vitae
EX2054	Capture from www.megamillions.com (October 24, 2024)
EX2055	Capture from www.powerball.com (October 24, 2024)
EX2056	Capture from www.powerball.com (October 24, 2024)

I. INTRODUCTION

The Board should reject the invalidity challenges presented in this IPR because they do not demonstrate invalidity by a preponderance of the evidence. 35 U.S.C. § 316(e). The Petition's expert declaration is entitled to no weight because, at his deposition, the expert demonstrated himself to be an unreliable witness who alternately testified that a modification of the prior art drawn as described by the Petition (and his declaration) both was and was not encompassed by his obviousness analysis.

The Petition's Grounds 1 and 2 present invalidity challenges based on two separate interpretations of an Irwin reference, but neither shows that a "manufactured, pre-printed, random draw lottery ticket is selected by a customer prior to initiation of a check-out process and is presented by the customer for activation during the check-out process," as claimed. Although Irwin discloses a random draw lottery ticket, called an "on-line ticket," neither of Petitioner's theories rely on the on-line ticket. Instead, Petitioner asserts that Irwin's disclosure of other elements, a plastic hanging card and a passive game ticket, are lottery tickets. They are not. Moreover, Petitioner's theories are contradicted by its expert's own explanation of what constitutes a random draw lottery ticket.

The Petition's Grounds 3 and 4, invalidity by Szrek in view of Llach, fails to show a motivation to modify Szrek as proposed. It is on this issue that the expert

testified erratically, both rejecting and embracing the same prior art modification as encompassed by his analysis. The Petition's cited reasons for modifying the prior art are contrived, and they should be rejected as such.

In the end, Petitioner failed to meet its burden to prove obviousness on this IPR.

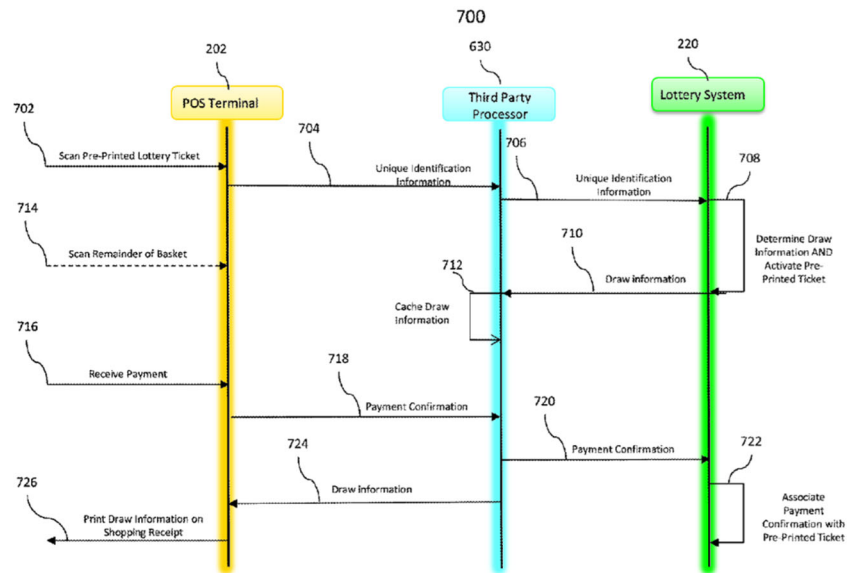
II. THE '451 PATENT

A. Summary of the '451 Patent's Disclosure

U.S. Patent 11,488,451 (the "'451 Patent") is directed "to lottery systems and in particular to the sale and activation of pre-printed draw based lottery tickets through the retailers Point of Sale without the need for additional lottery hardware." EX1001 col. 1:13-16. At the time of the invention, "[t]ickets for draw based lotteries [were] typically printed at the time of purchase on special ticket paper by a printing device approved by the lottery administering body." *Id.* col. 1:37-39. These issues created barriers to use of lottery systems at multi-lane retail environments due to capital expense and the requirement of operator training. *Id.* col. 1:59-67. Use of existing retailer Point of Sale ("POS") equipment also was regarded as ineffective because the retailers' low quality receipt paper deteriorates prematurely. *Id.* col. 2:1-4.

The '451 Patent discloses techniques “that provide[] the ability to include online lottery tickets that can be placed in a customer’s shopping cart and paid for during the normal checkout process without the use of specialized hardware such as lottery terminals, ticket printers or customized devices at the point of purchase for the purpose of producing the lottery ticket.” *Id.* col. 2:44-52. The pre-printed tickets each have a unique bar code that identifies the particular pre-printed ticket and a Universal Product Code bar code that identifies the lottery product. EX1001 col. 3:1-4. “Once scanned by the retailer’s POS and paid for by the customer, the lottery system will ... assign the next available draw date.” *Id.* col. 3:11-14. “The generated numbers, the draw date and unique ticket identifier is printed on the customers shopping receipt.” *Id.* col. 3:14-16.

The patent’s claims recite methods for providing a manufactured, pre-printed, random draw lottery ticket. A POS terminal 202 (*gold*) communicates with a third-party transaction processor 630 (*blue*), and the transaction processor communicates with a lottery system 220 (*green*):



'451 Patent (EX1001), FIG. 7 (annotated)

See also *id.* col. 7:66-9:55, FIGS. 6, 8.

The claimed system allows customers to select a random lottery draw ticket during an ordinary consumer shopping experience, place the ticket “in a customer’s shopping cart and [pay] for [it] during the normal checkout process.” *Id.* col. 2:52-58; see also *id.* col. 2:11-13. For example, the tickets may be purchased at any check-out lane of a grocery store. *Id.* col. 2:60-64. No special hardware, such as lottery terminals, ticket printers, or customized devices, is required at the POS terminal. *Id.* col. 2:52-64.

During a checkout process, a POS terminal scans a pre-printed lottery ticket as one of a number of items. *Id.* col. 9:7-16, 9:41-50. The scan captures information from a bar code that “identifies the particular pre-printed ticket” and from a “Universal Product Code bar code that would identify the lottery product.” *Id.* col.

3:7-10; *see also id.* col. 5:65-67 (“Barcode information will contain the Ticket Unique Identifier, Universal Product Code and may contain price information.”). The POS communicates unique identification information and details of the pre-printed ticket to the transaction processor. *Id.* col. 9:7-16, 9:51-57. The transaction processor, in turn, communicates the unique identifier and pre-printed ticket details to the lottery system 220. *Id.*

The lottery system 220 verifies the ticket information, and it determines draw and wager information. *Id.* col. 9:12-18, 9:53-58. The lottery system 220 activates the ticket and communicates draw and wager information to the transaction processor. *Id.* The transaction processor communicates the draw and wager information to the POS terminal, which prints the information on a receipt. *Id.* col. 9:27-30, 9:57-61.

B. Prosecution History of ’451 Patent

The ’451 Patent granted from application s.n. 16/280,629 (the “’629 Application”), filed in February 2019. The ’629 Application is a continuation application of two earlier-filed patents, U.S. Patents 10,769,894 and 9,865,135, the earliest of which was filed April 6, 2015. EX1001.0001.

The ’451 Patent was subject to several prior art rejections. A first rejection, made in 2019, rejected all then-pending claims over Sandvick, U.S. Patent 9,251,663 (“Sandvick”) and, for select dependent claims, Sandvick and Yacenda, U.S. Patent

6,322,446 (“Yacenda”). EX1002.0687-0700. The Office withdrew this rejection when Patent Owner demonstrated that Sandvick is not directed to draw-based games and, therefore, Sandvick fails to teach or suggest “a method for providing a lottery ticket for a random draw” or “receiving [an] indication that draw information has been associated with the pre-printed lottery ticket.” EX1002.0659-0664; EX1002.0641.

The Office raised a second prior art rejection to the claims in 2021 based on Gilmore, U.S. Publ’n. 2005/0233797 (“Gilmore”). EX1002.0448, EX1002.0459-0461. In response, Patent Owner demonstrated that Gilmore prints a ticket at the time of purchase and, therefore, it is not “pre-printed,” as claimed. EX1002.0419-0424. Patent Owner also explained that Gilmore distinguishes two types of lottery products, instant win/scratch-off tickets and lotto/Power Ball/weekly draw tickets; Gilmore discloses different processes for the sale of these different products. EX1002.0420-0423 (quoting Gilmore).

The Office rejected the claims based on Gilmore and McBride, U.S. Publ’n. 2009/0227320, in the next office action. EX1002.0396-0399. In response, Patent Owner again explained that Gilmore’s system prints a ticket “at the conclusion of the check-out process” at the time of purchase and, therefore, “Gilmore’s ‘random draw’ lottery tickets cannot be ‘selected by a customer prior to initiation of a check-out process and ... presented by the customer for activation during the check-out

process.’” EX1002.0316. And, again, Patent Owner explained that Gilmore distinguishes instant win/scratch-off tickets from lotto-Power Ball/weekly draw tickets. EX1002.0317-0319. The Office withdrew the rejections based on Gilmore and McBride in the next office action. EX1002.0282. When the ’629 Application was allowed, the Office identified Gilmore and McBride as the closest art of record. EX1002.0120.

The prosecution record refutes Petitioner’s suggestion that the Examiner was unaware of the importance of Szrek until the case was ready for allowance. Pet. at 71. Office search notes demonstrate that the Examiner used Szrek as a basis for prior art searches in 2019, years before PGR2020-00084 was decided. EX1002.0042 (searches L51 and L52, conducted August 2019, both use “7627497” as a search term). And, as the Petition acknowledges, the Office allowed the Challenged Claims over Szrek and Llach. Pet. at 8.

C. Other Proceedings

Petitioner filed PGR2020-00084 against U.S. Patent No. 10,769,894 (the “’894 Patent”) to which the ’451 Patent claims priority. There, Petitioner challenged claims of the ’894 Patent as obvious over: 1) Szrek alone, 2) Llach in view of Szrek, and 3) Szrek in view of Gilmore. EX1007.0038. The Office accepted the invalidity challenges based on Szrek and Szrek in view of Gilmore. EX1008.0069. It did not

consider the invalidity challenges based on Llach in view of Szrek. *Id.* The Office's final written decision was affirmed on appeal. EX1009.

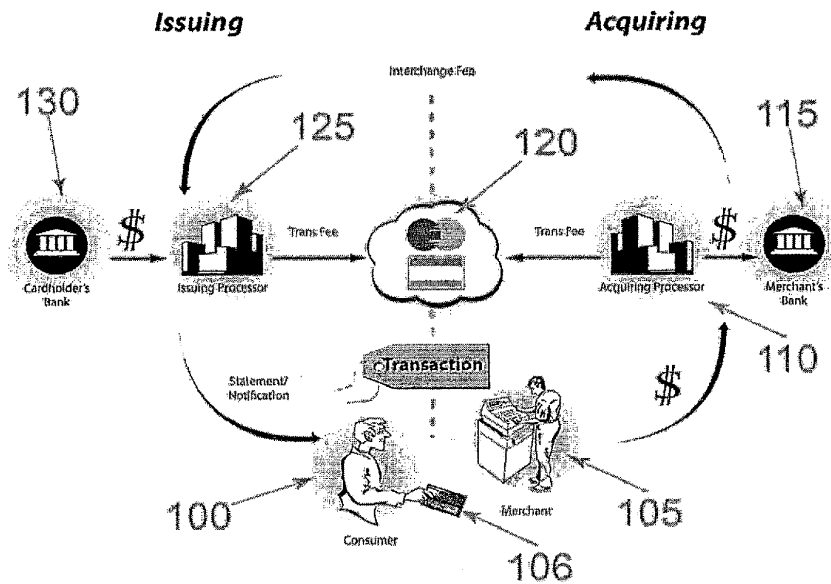
Petitioner filed IPR2023-01235 against U.S. Patent No. 9,865,135 to which the '451 Patent claims priority. There, Petitioner challenged claims of the '135 Patent as obvious over 1) Szrek alone, and 2) Llach in view of Szrek. IPR2023-01235 is ongoing.

The Board has not evaluated the patentability arguments made in this Patent Owner's Response in any prior proceeding.

III. BRIEF SUMMARY OF THE PETITION'S PRIOR ART

A. Irwin

Irwin is directed to a credit or debit card processing interchange to support sales and redemptions of lottery ticket sales. EX1030, Abstract. The interchange originally was designed to support credit/debit card sales in a process in which a merchant 105 accepts credit/debit card data for a sales transaction and provides it to an acquiring processor 110, which forwards the data to the interchange 120:



Irwin (EX1030), FIG. 1

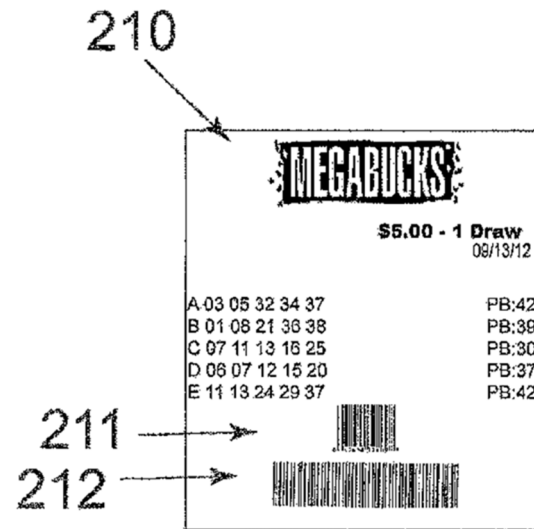
EX1030 col. 4:13-38. The interchange 120 routes the transaction data to an issuing processor 125 that is associated with a bank 130 of the card that the consumer provided to the merchant 105, using a Bank Identification Number (BIN) embedded within the credit/debit card. *Id.* The BIN number is used by an acquiring processor 110 and interchange 120 to route a transaction request to its intended destination, here, the issuing processor 125. *Id.* col. 5:41-44. The issuing processor 125 processes the transaction and, assuming sufficient funds are available for the transaction, sends an approval notice to the merchant 105 via the interchange 120. *Id.* col. 4:39-46.

Irwin proposes to leverage the interchange network 120 to support sales of instant (scratch off) lottery tickets (*id.* cols. 6:24-9:40) and quick-pick lottery tickets (*id.* col. 9:50-12:2). For quick-pick lottery tickets, which is the subject of the

Petition's invalidity challenge (Pet. at 13), a consumer presents a plastic hanging card 200 to a merchant 105, and the merchant 105 ultimately prints an on-line ticket 210 once the card scan is processed:



Irwin (EX1030), FIG. 12
(the hanging card 200)



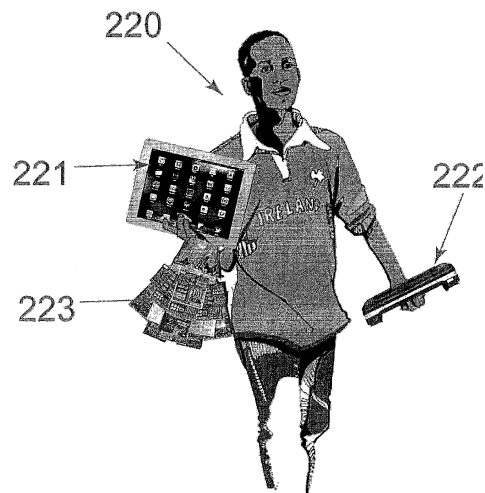
Irwin (EX1030), FIG. 14
(the on-line lottery ticket 210)

Specifically, the hanging card 200 has a pair of barcodes 201, 202 that, when scanned, cause the merchant 105 to send a request, called a "quick-pick request" into the interchange 120. *Id.* col. 9:50-60. The quick-pick request is routed to the issuing processor 125 and, further, to a lottery central site 160, which decodes the request, generates a pseudorandom quick-pick, logs the quick-pick transaction and its serial number, and transmits a print command to the merchant to print the lottery ticket 210. *Id.* cols. 9:66-10:14. Irwin asserts that it previously was not possible to print quick-pick lottery tickets via a BIN interchange but it becomes possible using

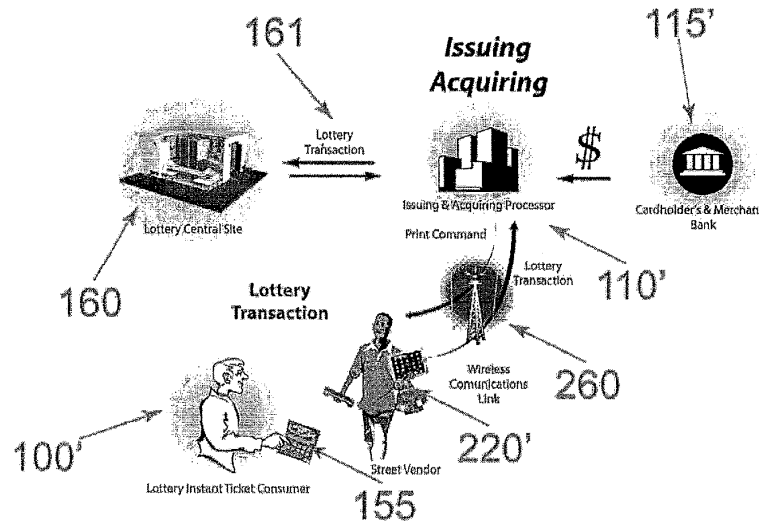
cryptographic techniques proposed in other Irwin patent filings. *See id.* cols. 10:15-11:19.

To validate a lottery ticket 210 as a winner or a loser, a consumer presents the on-line ticket 210 to a merchant 105, which scans two other barcodes 211, 212 printed thereon. These barcodes 211, 212 cause the merchant 105 to send a different request, called an “on-line ticket validation request,” into the interchange 120. *Id.* cols. 11:20-44. The interchange network forwards the validation request to the lottery central site 160. The lottery central site 160 compares the ticket’s serial number to a drawing database to determine if the ticket is a winner and if the ticket was previously cashed. *Id.* col. 11:47-62. The lottery central site 160 returns a print statement through the interchange to the merchant 105, where a receipt is printed. *Id.* cols. 11:66-12:2.

Irwin also proposes to leverage the interchange network to support street vendor sales of instant lottery tickets (*id.* cols. 13:50-15:64), quick-pick tickets (*id.* cols. 15:65-16:19), and “passive game tickets” (*id.* cols. 16:41-17:17), which are akin to raffle tickets (EX2051 at 69:20-70:22). A street vendor 220 does not work in a brick-and-mortar location but, instead, “roam[s] with a limited inventory of [] tickets literally conducting street sales ... on the spot.” *Id.* col. 12:44-52.



Irwin (EX1030), FIG. 16
(the street vendor)



Irwin (EX1030), FIG. 22

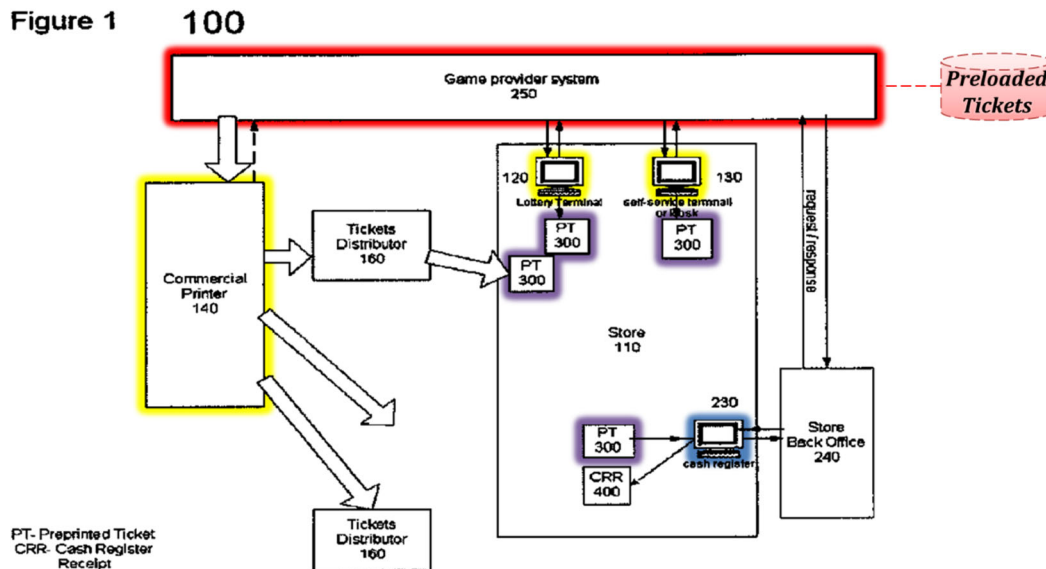
The street vendor 220 carries a portable computer 221, a portable printer 222, and an inventory of lottery tickets 223. *Id.* col. 13:19-39.

B. Szrek

Szrek discloses a system for selling preprinted lottery tickets from a POS terminal. EX1005 Title. The lottery ticket may be preprinted by a commercial printer, printed via an in-store kiosk, at a self-service terminal or on a standard gaming terminal. *Id.* Abstract. The preprinted tickets are not eligible to win prizes unless they are activated at a cash register. *Id.*

In Szrek's system, "[a]ll tickets are 'preloaded' in the game provider's system." *Id.* col. 3:46-50. "[D]uring ticket activation, the game provider system merely recognizes from the ticket identifier what transaction is activated." *Id.*

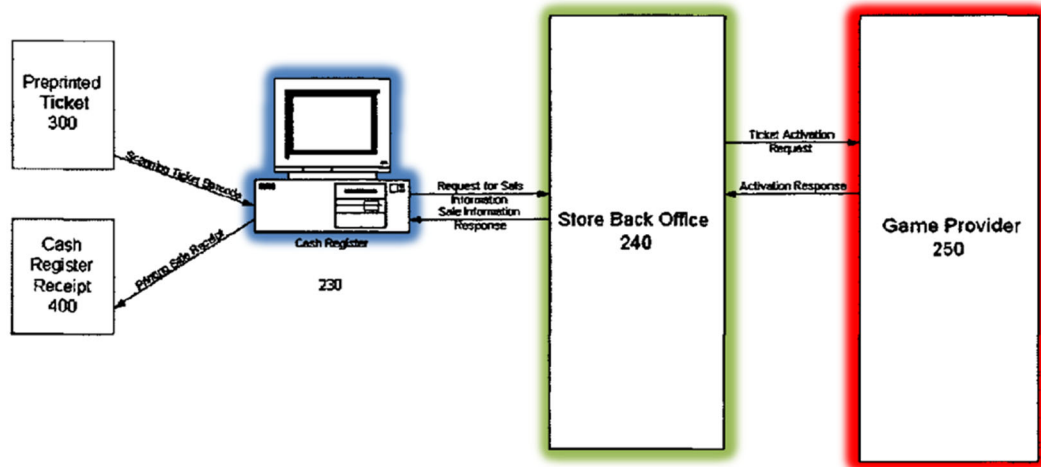
Szrek illustrates the logical process of selling lottery tickets in FIG. 1:



Szrek (EX1005), FIG. 1 (annotated)

As indicated, the game provider system 250 (*red*) is preloaded with tickets. *Id.* col. 3:46-50; *see also* EX2048 at 21:1-25:7 (the game provider 250 has a database that stores information about tickets). The preprinted tickets 300 (*purple*) preferably are preprinted by a commercial printer 140 (*yellow*), by a lottery kiosk 130 (also *yellow*), or in a so-called “regular” lottery terminal 120 (again, *yellow*). EX1005 col. 5:57-61. No matter how they are created, the preprinted tickets 300 are activated at a cash register 230 (*blue*) when they are purchased. EX2048 at 40:1-8.

Szrek illustrates “the logical process 200 of activation of lottery ticket 300 via a cash register 230” (*blue*) in FIG. 2:



Szrek (EX1005), FIG. 2 (annotated)

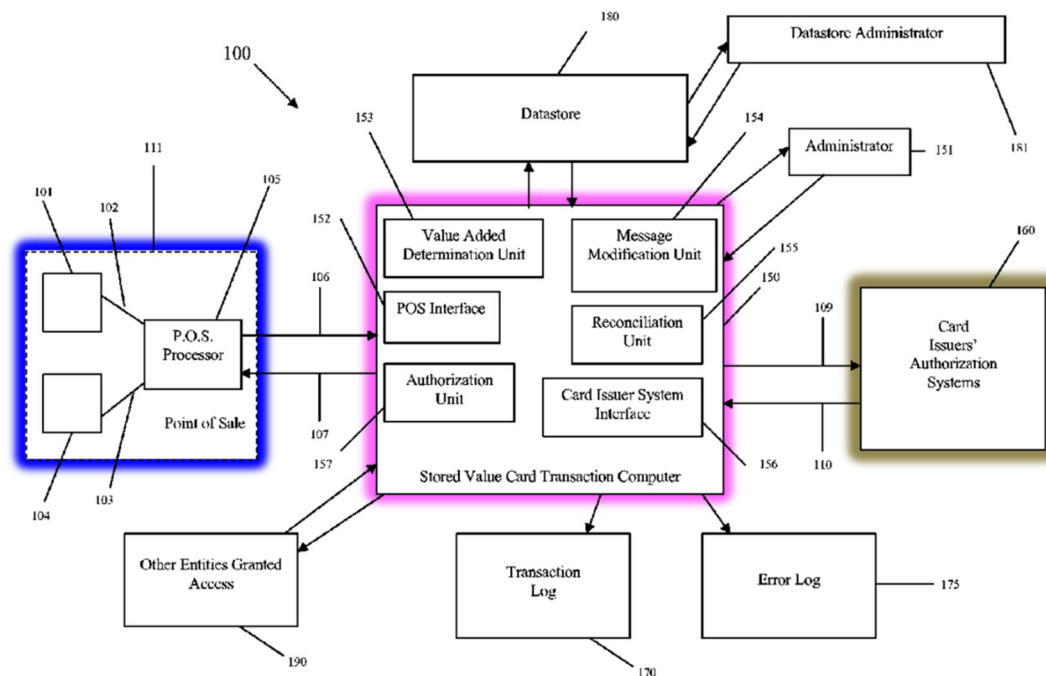
“The store clerk scans ticket 300 like any other product.” EX1005 col. 6:30-31.

“Normally when a barcode 310 is scanned for any merchandise, the checkout register 230 application looks up the merchandise price in database [*dark green*] or checks the price by using some algorithmic interface.” *Id.* col. 6:31-34. In the case of a lottery ticket, the cash register’s “request will be transformed into transactional request to the game provider 250” (*red*). *Id.* col. 6:34-38. If the ticket had not been activated already, the game provider 250 “activate[s] this ticket by marking a status or state of corresponding identifier or record in the computer memory or on the computer disk or it may even create a record with the corresponding identifier.” *Id.* col. 6:38-41. The game provider 250 sends back lottery product description, price, and activation receipt identifier, usually with some

security code. *Id.* col. 4:60-64. “Once the ticket 300 is activated, product type 410 (sale of lottery ticket, or a sale of ticket for the specific game or game event), the original preprinted ticket identifier 330, activation identifier 430, security codes 440, an activation price 450 and valid draw identifier 460, such as draw number or draw time, are printed on cash register receipt.” *Id.* col. 6:54-59.

C. Llach

Llach discloses a system for processing, activating and redeeming stored value cards. EX1006 Abstract. The system includes a point of sale component 111 (*blue*), a stored value card transaction computer 150 (*pink*), and a card issuers’ authorization system 160 (*brown*):



***Llach* (EX1006), FIG. 1 (annotated)**

The Llach system manages transactions involving stored value cards, such as “gift cards, prepaid telephone cards, loyalty cards, membership cards, ticket cards, entertainment cards, sports cards, prepaid cards, and the like.” EX1006 [0012]. Llach explains that the market is filled with various stored value cards and it is difficult for card issuers to distinguish themselves in the marketplace. *Id.* [0003]. As a solution, Llach proposes a technique for adding value to a stored value card in excess of its purchase price. *Id.* [0004]. In one example, a card with a \$25 face value is activated for \$30 when purchased. *Id.* [0016]. In another, a \$15 gift card to a coffee house may have an electronic redemption coupon for a free shot of syrup to be added to coffee. *Id.*

The transaction processor receives requests from the point of sale component 111 and processes them. *Id.* [0023], [0046]. As part of its operation, it determines whether the card used at the point of sale component 111 is eligible for value differentiation. *Id.* [0034]-[0036]. If so, the transaction processor 150 modifies a received request to add value before sending the request to a card issuers’ authorization system 160. *Id.* [0048], [0051]. The card issuers’ authorization system 160 activates, deactivates, and redeems value from stored value cards. *Id.* [0023].

Llach has no disclosure related to lottery tickets or activation protocols for lottery tickets. *See* EX2052 ¶ 87, EX2048 at 85:19-86:3.

IV. LEGAL STANDARDS

Petitioner bears the burden to prove invalidity by a preponderance of the evidence. 35 U.S.C. § 316 (e).

In an *inter partes* review, claims are construed using the same claim construction standard that would be used to construe claims in a civil action. *See* 37 C.F.R. § 42.100(b) (2020). Claims are construed in accordance with the ordinary and customary meaning of such claims as understood by one of ordinary skill in the art at the time of the invention. *Phillips v. AWH Corp.*, 415 F.3d 1303, 1312-14 (Fed. Cir. 2005) (en banc). To begin with, the context in which a term is used in a claim can be highly instructive. *Id.* at 1314. In construing claims, the Board must take into account the specification and prosecution history. *Id.* at 1315-17.

A claim is obvious when “the differences between the claimed invention and the prior art are such that the claimed invention as a whole would have been obvious before the effective filing date of the claimed invention to a person having ordinary skill in the art to which the claimed invention pertains.” 35 U.S.C. § 103. The question of obviousness is resolved on the basis of underlying factual determinations, including: (1) the scope and content of the prior art; (2) any differences between the claimed subject matter and the prior art; (3) the level of ordinary skill in the art; and (4) when available, objective evidence such as commercial success, long-felt but unsolved needs, and failure of others. *Graham v.*

John Deere Co., 383 U.S. 1, 17-18 (1966); see *KSR Int’l Co. v. Teleflex Inc.*, 550 U.S. 398, 407 (2007) (“[T]he [*Graham*] factors continue to define the inquiry that controls.”).

Obviousness is not shown merely by showing that the prior art includes separate references covering separate limitations of a challenged claim. *Forest Labs., LLC v. Sigmapharm Labs., LLC*, 918 F.3d 928, 934 (Fed. Cir. 2019); *Unigene Labs., Inc. v. Apotex, Inc.*, 655 F.3d 1352, 1360 (Fed. Cir. 2011). Rather, it must be shown that a person of ordinary skill in the art (“POSITA”) at the time of the invention “would have selected and combined those prior art elements in the normal course of research and development to yield the claimed invention.” *Id.* As a corollary, a reference “teach[es] away when a person of ordinary skill ... would be led in a direction divergent from the path that was taken by the applicant.” *Polaris Indus., Inc. v. Arctic Cat, Inc.*, 882 F.3d 1056, 1069 (Fed. Cir. 2018).

In an IPR, the Board must remain aware “of the distortion caused by hindsight bias and must be cautious of arguments reliant upon ex post reasoning.” *KSR*, 550 U.S. at 421. “[A] court must view the prior art without reading into that art the patent’s teachings.” *Vandenberg v. Dairy Equipment Co.*, 740 F.2d 1560, 1564 (Fed. Cir. 1984). For this reason, the obviousness test “focuses on evidence before the time of invention.” *In re Translogic Tech., Inc.*, 504 F.3d 1249, 1260 (Fed. Cir. 2007).

V. LEVEL OF ORDINARY SKILL IN THE ART

For purpose of this proceeding, Patent Owner adopts the Petition’s proposed definition of the level of ordinary skill in the art. Petition (paper 2) at 2-3 (herein “Pet.”). A POSITA is an artisan with a working knowledge of POS activation systems and lottery systems that was gained through a mixture of training and work experience in the relevant field such as (i) having a Bachelor’s degree in computer science, computer communications, electrical engineering, or equivalent degree, coupled with at least three years of work experience; (ii) having a Master’s degree in computer science, computer communications, or electrical engineering, but having less work experience; or (iii) having no formal degree, but having experience in the relevant field of at least six years of work experience.

Patent Owner’s expert, Dr. Jeffrey Miller, has a level of experience that exceeds this ordinary level of skill. *See generally* EX2052 ¶¶ 3-15, 67; *see also* EX2053. Dr. Miller has a Ph. D. in computer science. *Id.* He has over 20 years of experience teaching computer science and software engineering at various universities. *Id.* And Dr. Miller has a working familiarity with both POS activation systems and lottery systems. *Id.*

VI. CLAIM CONSTRUCTION

All terms have been given their plain and ordinary meaning in this POR. In PGR2020-00084, which involved a parent of the '451 Patent, the Board identified the plain meaning of the term “transaction processor” as: a processor that processes transactions between two devices. EX1008.0016. The Challenged Claims of the '451 Patent recite a related term, “third-party transaction processor,” and recite that “the third-party transaction processor receives transaction requests from a plurality of different retailers.”

VII. THE PETITION FAILS TO SHOW INVALIDITY OF THE CHALLENGED CLAIMS.

The IPR challenges claims 1-24 (the “Challenged Claims”) as follows:

Ground	Reference(s)	Basis	Claims
1	Irwin	§103	1-9,11-24
2	Irwin, Szrek	§103	10
3	Szrek, Llach	§103	1-10,12-24
4	Szrek, Llach, Gilmore	§103	11

Pet. at 2. These grounds fail as explained below.

A. The Board Should Give no Weight to Petitioner’s Expert Declaration.

The Board should assign no weight to Petitioner’s expert declaration (EX1003) on any issue. First, the expert declaration offers conclusory arguments as fact without providing reasoning that explains why the expert determines that claim

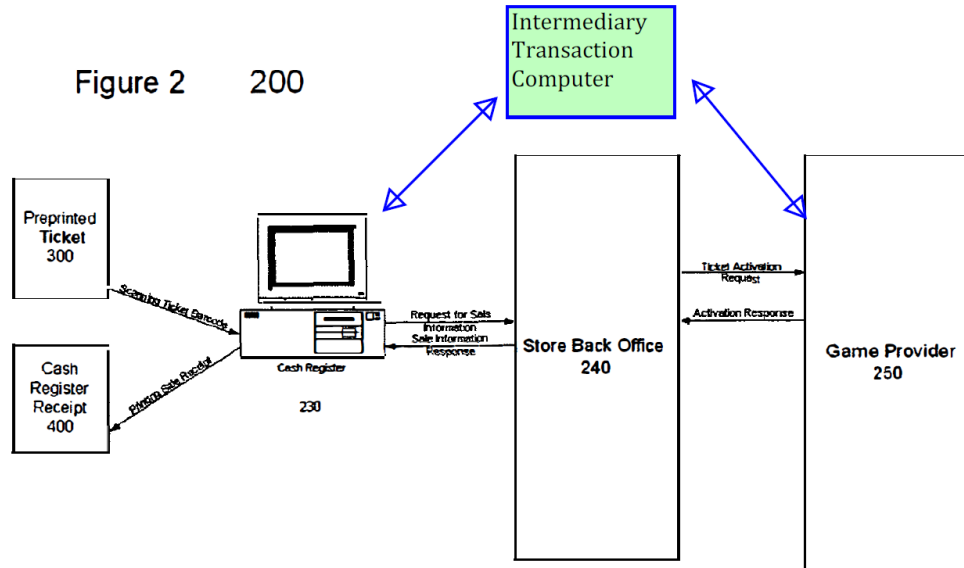
features are met by the references' disclosures. *See Xerox Corp. v. Bytemark, Inc.*, IPR2022-00624, Paper 12 at 5 (Decision on Director Review February 10, 2023). With respect to Ground 1, in the discussion that follows, Patent Owner identifies various elements that are not met by Irwin's disclosure. *See* § VII.B *infra* (Irwin's plastic hanging card 200 and passive game ticket 224' are not lottery tickets; the plastic hanging card 200 is not presented for activation; and the passive ticket 224' is not selected prior to a checkout process). The expert's declaration fails to explain why a POSITA would regard Irwin's disclosure as meeting these claims' recitations. Instead, he merely asserts without analysis that the disputed recitations are met. When an expert declaration sets forth conclusory assertions as facts, they are properly given no weight. *Xerox*.

The expert's analysis of Ground 3 fares no better. Here, the expert asserts that "a POSITA would have found it obvious to modify Szrek's system for activating lottery tickets to incorporate Llach's teachings of an intermediary transaction computer between Szrek's cash register and game provider system." EX1003 ¶ 180. But there are three elements disclosed in Szrek's system prior to modification, a cash register 230, a store back office 240, and a game provider 250. The expert fails to explain in his declaration, how the modification would occur, which cash register functions would proceed through the store back office according to Szrek's original disclosure, and which functions would proceed through the new intermediary

transaction computer that the expert proposes to draw from Llach. Instead, the declaration asserts that certain benefits would arise from the modification (*id.* ¶¶ 181-182), and that obviousness is shown because “Patent Owner entered the lottery ticket activation business” by applying “the well-known application of gift card activation systems for lottery ticket activation” (*id.* ¶ 183).

The expert deposition demonstrates that, Mr. Hutton, Petitioner’s expert, is an unreliable witness. First, Mr. Hutton testified that he had no exposure to Patent Owner’s products before working as an expert in Petitioner’s IPR and PGR matters. EX2051 at 36:9-13. Mr. Hutton has no basis to opine on how Patent Owner entered the lottery activation business, particularly, when the commercial activities at issue occurred in 2018, *years after* the ’451 Patent’s priority date. *Compare* EX1003 ¶ 183 (discussing activity in “mid-2018”) *with* EX1001.0001 (claiming priority to 2015).

Second, Mr. Hutton testified evasively and inconsistently on how the modification of Szrek would occur. His declaration (¶ 180) states that Szrek would be modified “to incorporate Llach’s teachings of an intermediary transaction computer between Szrek’s cash register and game provider system.” Patent Owner’s counsel modified FIG. 2 of Szrek at the deposition to illustrate an intermediate transaction computer (*green*) placed between Szrek’s cash register 230 and the game provider 250 as described in ¶ 180:

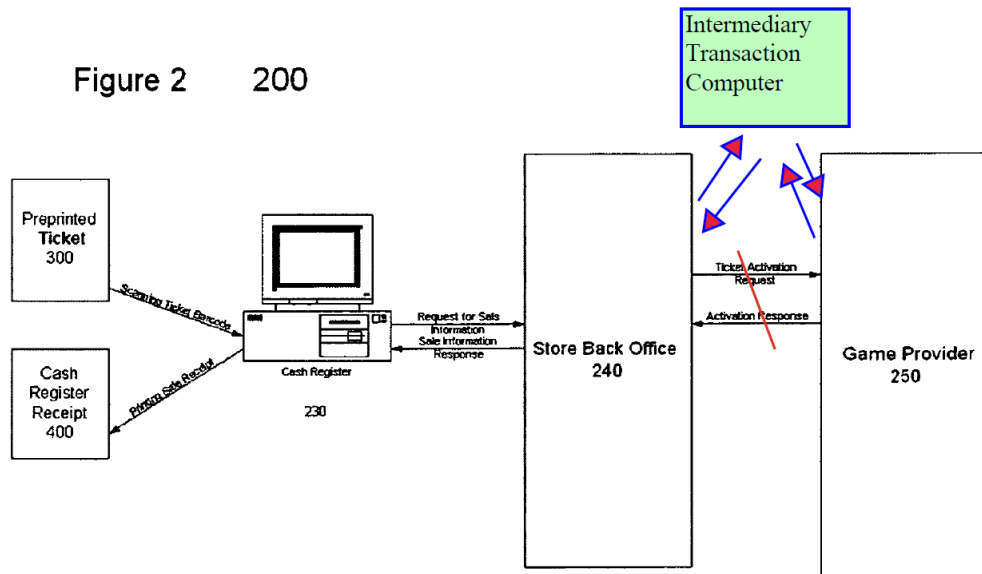


Szrek (EX2050), FIG. 2 (annotated during expert deposition)

See EX2051 at 102:24-104:12 (describing modifications), 122:12-123:10 (same).

When asked whether this properly illustrated the modification proposed in his declaration, the expert answered “no.” *Id.* at 104:12.

Mr. Hutton testified that the new intermediary transaction computer needs to be placed between the store back office 240 and the game provider 250. *Id.* at 104:14-17.



Szrek (EX2049), FIG. 2 (also annotated during expert deposition)

He explained that the communications that extend between the store back office 240 and the game provider 250 are to be replaced with counterpart communications that extend from the store back office 240 through the intermediary transaction computer, to the game provider 250, and back. *Id.* at 104:19-109:7. The declaration does not mention this configuration in its analysis. *See* EX1003 § VII. In fact, Szrek's store back office 240 gets only scant mention. *Id.* ¶¶ 76, 193.

On redirect, Patent Owner's counsel directed Mr. Hutton to disclosure from Szrek that discusses a cash register's capability to communicate directly with a game provider. EX2051 at 112:7-113:1. Thereafter, Mr. Hutton testified that it would be obvious to place a transaction processor between Szrek's cash register and the game provider. *Id.* at 113:21-24. This, of course, is the configuration shown in EX2050, which Mr. Hutton rejected earlier.

When asked about the incongruity in his testimony, Mr. Hutton testified, referring to EX1003 ¶ 180, that “a person of ordinary skill would understand that I was talking about between the *Point Of Sale* and the lottery transaction system.” EX2051 at 123:15-18 (emphasis added). The term “point of sale,” however, does not appear anywhere in ¶ 180 of his declaration; instead, the declaration refers to “Szrek’s cash register.” Mr. Hutton further testified that the term “point of sale” “could be interpreted as being the cash register, plus the store back office, or just the cash register.” *Id.* at 123:18-21. He testified that, in ¶ 180, “I didn’t intend that to be limited to that particular -- particular cash register word.” *Id.* at 125:23-126:1. But, of course, Mr. Hutton’s declaration refers to “Szrek’s cash register” and only to Szrek’s cash register.

Mr. Hutton ultimately testified that “both of those embodiments that we drew are consistent with what I wrote there, in my opinion.” *Id.* at 123:23-124:1. Thus, in a single deposition, Mr. Hutton testified that the configuration shown in EX2050 does not represent the modification of Szrek proposed in EX1003 ¶ 180 (*id.* at 104:12) and it does represent that proposed modification (*id.* at 123:23-124:1). Mr. Hutton’s testimony is all over the place. *See id.* at 119:18-127:19.

This exchange demonstrates that Petitioner’s expert lacks credibility. Mr. Hutton is willing to say anything at any time to score a point. Mr. Hutton’s testimony lacks candor, and it should be given no weight in the Board’s analysis.

B. Grounds 1 and 2

The Board should reject Grounds 1 and 2 because the Petition fails to show that Irwin teaches or suggests all elements of the Challenged Claims. Specifically, the Petition fails to show that Irwin teaches or suggests a “manufactured, pre-printed, random draw lottery ticket [that] is selected by a customer prior to initiation of a check-out process and is presented by the customer for activation during the check-out process.” The Petition identifies two elements from Irwin that purportedly correspond to the claims’ lottery ticket, a plastic hanging card 200 shown in Irwin’s FIG. 12 and a “passive game ticket” 224’ in Irwin’s FIG. 21. Pet. at 13-17. Both theories are wrong.

1. Irwin’s disclosure of a plastic hanging card 200 does not render the Challenged Claims obvious.

Petitioner’s first theory, that Irwin’s plastic hanging card 200 is a “manufactured, pre-printed, random draw lottery ticket” (Pet. at 13-17), fails because the card 200 is not a lottery ticket and it is not presented to a merchant 105 for activation.

Petitioner argues, without analysis, that the card is a ticket for a random draw lottery:

Irwin further discloses an embodiment where, “[f]or quick-pick ... purchases of *on-line tickets*,” a merchant displays “a plastic hanging card 200” that is manufactured and pre-printed “with a quick-pick coded

interchange compatible barcode 201” for customer selection. *Id.*, 9:50-56. These cards are tickets for a ***random draw lottery*** that supports “quick-pick (i.e., numbers automatically selected for the consumer),” such as “Pick 3, Pick 4, Powerball, Mega Millions,” which are random draw lotteries. *Id.* Figure 12 depicts these ***manufactured, pre-printed, random draw lottery cards***. Ex. 1003, ¶100.



FIG 12

Pet. at 13-14 (emphases original).

Figure 11 depicts a “Lottery On-Line Consumer” ***presenting*** a hanging card to a “Merchant” at a POS terminal ***for activation***. ...

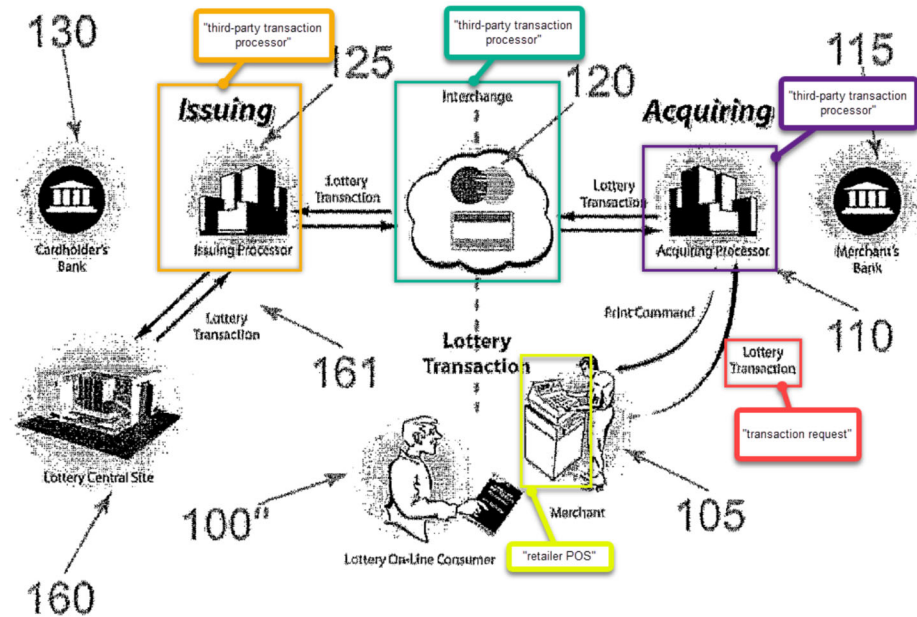


FIG 11

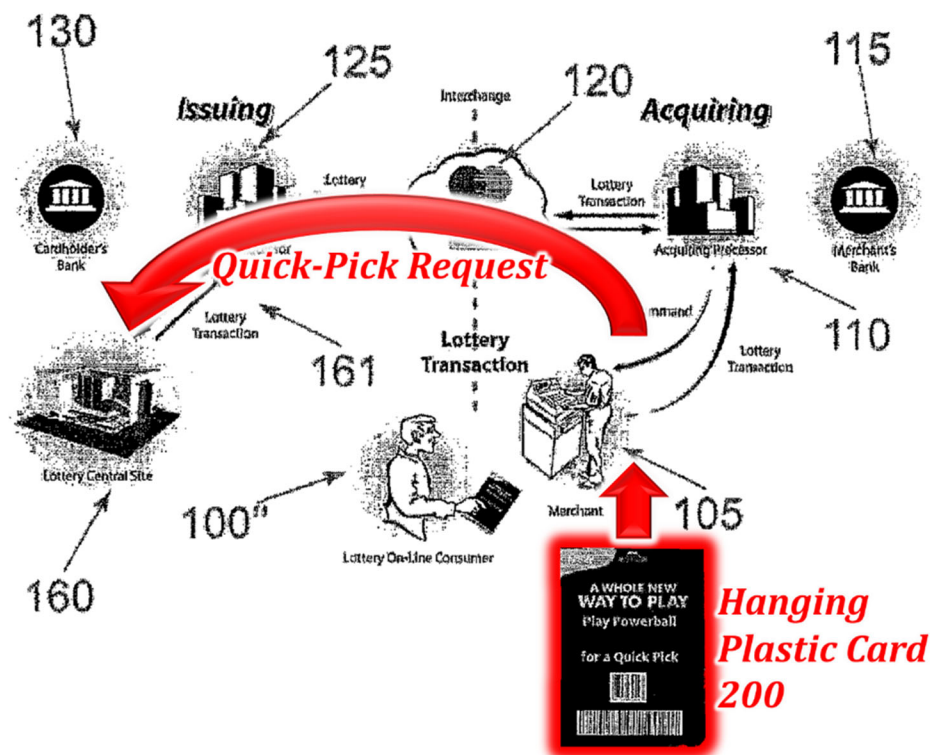
This request results in “[t]he lottery’s central site” activating the ticket by “generat[ing] a pseudorandom quick-pick” and “log[ging] the quick-pick transaction with a generated serial number on its database.” *Id.*, 10:5-9; *see also* 9:43-45 (“on-line ... sales and **validation**”); 7:33-35 (“[T]he utilizing of the merchant’s POS 105 register to log each ticket sold enables each instant ticket to be activated on an individual basis.”); Ex. 1003, ¶106. Thus the quick-pick request is a a [sic] **transaction request to activate the lottery ticket**.

Id. at 15-17 (emphases original). Its expert declaration parrots these allegations (EX1003 ¶¶ 100, 103-104), again, without analysis. The Board should reject this theory as unsupported by the evidence.

Irwin does not teach or suggest that the plastic hanging card 200 is a lottery ticket. Irwin describes it only as a “card,” one that is used to create a separate item, an “on-line ticket” 210. A POSITA would regard the on-line ticket 210 as the lottery

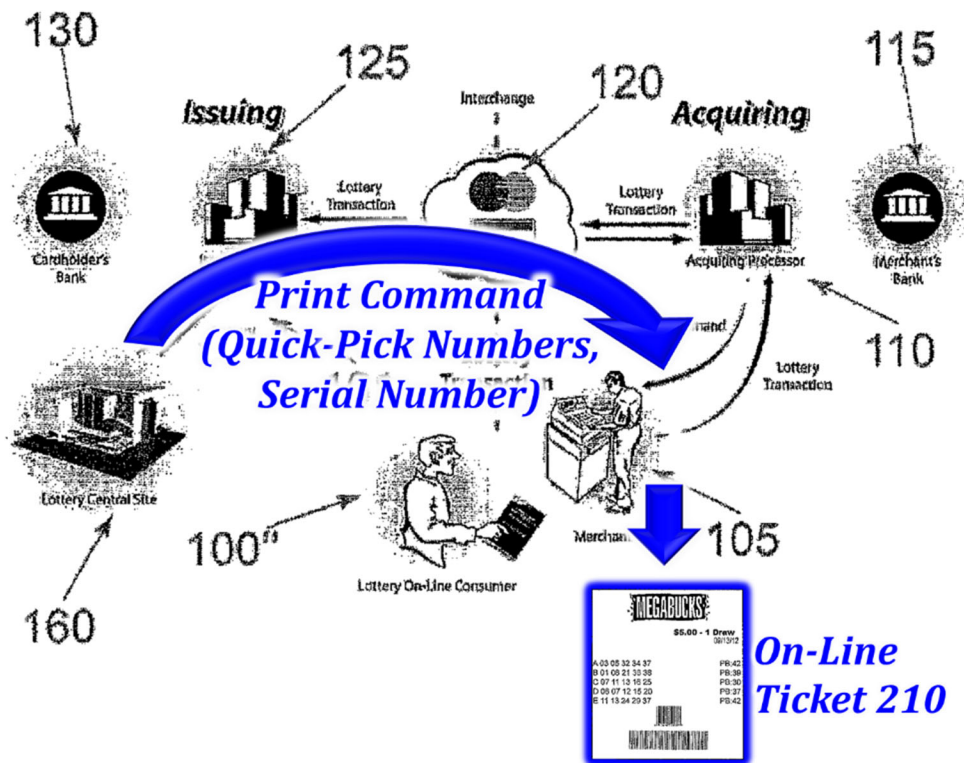
ticket in Irwin's system, not the plastic hanging card 200. EX2052 ¶¶ 99-108. Moreover, Irwin never discloses that the plastic hanging card 200 is activated. Once the plastic hanging card 200 is scanned and it triggers the lottery central site 160 to generate numbers and a serial number for the on-line ticket 210, the plastic hanging card 200 has no other role in Irwin's system.

Irwin discloses that, when the plastic hanging card 200 is scanned by a merchant 105, it causes the merchant 105 to send a "quick-pick request" (*red*) to the lottery central site 160:



Irwin (EX1030), FIGS. 11, 12 (annotated mockup)

EX1030 cols. 9:66-10:9. Irwin discloses that the lottery central site 160 generates a quick-pick and a serial number for the on-line ticket, and it sends a print command (blue) back to the merchant 105:



Irwin (EX1030), FIGS. 11, 14 (annotated mockup)

Id. col. 10:5-14. The lottery central site stores the serial number and quick-pick numbers in a database. *Id.*

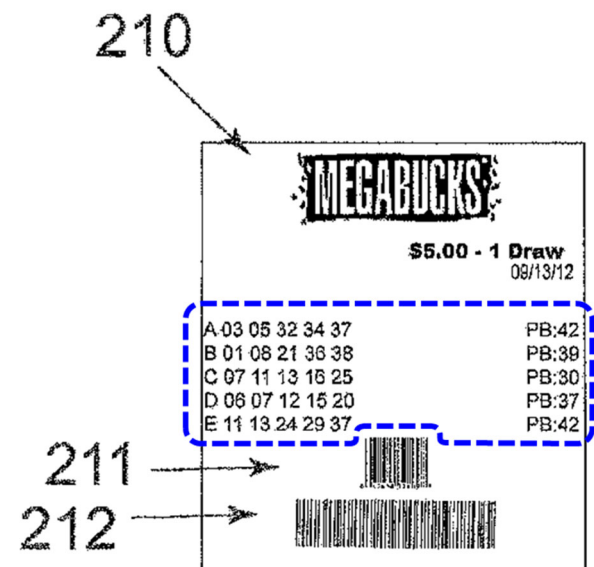
The print command causes the merchant 105 to print the on-line ticket 210. *Id.*, EX2052 ¶¶ 99-108. Irwin asserts that, although the printing of a quick-pick ticket previously would not have been possible via the interchange BIN network, use of cryptographic techniques disclosed in Irwin's other patent filings make it virtually impossible to copy or forge the ticket. EX1030 cols. 10:15-11:19.

A POSITA would regard Irwin's on-line ticket 210, not the plastic hanging card 200, as the lottery ticket in the Irwin system. As Petitioner's expert explains:

In a random draw lottery, a player purchases a ticket for a lottery draw event that takes place in the future. Ex. 1001. The player can either select his or her own draw numbers or the draw numbers can be randomly selected by the system. The numbers on the player's tickets are then compared to the numbers randomly selected during the draw event to determine if there is a match and thus a winning ticket.

EX1003 ¶ 64. This describes Irwin's on-line ticket 210, not the plastic hanging card 200. Indeed, at his deposition, Mr. Hutton acknowledged that the on-line ticket in FIG. 14 is a "printed lottery ticket." See EX2051 at 56:15-57:1.

In Irwin's system, the lottery numbers (*blue*) are placed on the on-line ticket 210:



Irwin (EX1030), FIG. 14 (annotated)

See id. col. 11:20-46; *see also* EX2051 at 61:12-62:7 (the rows A-E and the PB numbers represent the ticket's lottery numbers).

Moreover, the numbers on the on-line ticket 210 are compared to the numbers selected during a draw event. Irwin explains this operation in cols. 11:20-12:2. Specifically, when a consumer thinks her lottery ticket 210 is a winner, she presents the on-line ticket 210 to a merchant 105 for validation and eventual redemption. EX1030 col. 11:20-26. The merchant 105 scans the ticket's barcodes 211, 212, which causes the merchant 105 to send a new request to the lottery central site 160, called an "on-line ticket validation request." *Id.* col. 11:40-44. The lottery central site 160 validates the ticket based on a comparison between the ticket's serial number and information in its database. *Id.* col. 11:58-62. The database associates the ticket's serial number with the ticket's lottery numbers. *Id.* col. 10:5-10; *see also* EX2051 at 61:6-10 (Petitioner's expert confirms that Irwin determines whether a lottery ticket is a winner from a scan of the ticket in FIG 14). Irwin discloses no role for the plastic hanging card 200 in this process. Thus, a POSITA would regard the on-line ticket 210 shown in FIG. 14, not the plastic hanging card 200 in FIG. 12, as a lottery ticket.

A POSITA would not regard the plastic hanging card 200 as a lottery ticket. Instead, the plastic hanging card 200 is akin to a token, which is used in many lottery systems to initiate lottery ticket sales transactions in which lottery tickets are printed

at the conclusion of the sales transaction. *See* EX2051 at 14:23-17:20 (Mr. Hutton designed a system in which customers brought tokens to a point of sale that dispensed instant tickets), *id.* at 18:17-19:14 (the same system supported sales of online games where customers brought tokens to a point of sale and the system printed a physical lottery ticket); EX1029 [0017]-[0018] (consumers present tokens to a POS terminal that, when scanned, cause the system to dispense a lottery ticket via a ticket dispenser at the POS terminal); *see also* EX2052 ¶¶ 110-113. Mr. Hutton at his deposition did not identify the plastic hanging card 200 as a lottery ticket but rather as a “substrate.” EX2051 at 52:12-19. By contrast, he identified the on-line ticket in FIG. 14 as a “printed lottery ticket.” *Id.* col. 56:20-57:1.

And Irwin discloses no role for the plastic hanging card 200 after it is scanned. While Irwin discloses that the lottery central site 160 stores information that is associated with the lottery ticket 210, such as its lottery numbers, its serial number, and its draw date (EX1030 col. 10:5-10), Irwin does not disclose that the lottery central site 160 stores information regarding the plastic hanging card 200. Thus, there is no disclosure that the plastic hanging card 200 is activated.

Irwin’s disclosure demonstrates that Petitioner’s first invalidity theory must fail. Irwin’s hanging card 200 is ***not*** a lottery ticket, and, therefore, Petitioner failed to show, under this theory, that Irwin discloses “a manufactured, pre-printed, random draw lottery ticket,” as claimed. Moreover, because Irwin does not disclose that the

plastic hanging card 200 ever is activated by the Irwin system, Petitioner also failed to show, under this theory, that Irwin discloses a lottery ticket that “is presented by the customer for **activation** during the check-out process,” as the Challenged Claims require. Petitioner failed to meet its burden to prove obviousness under its first invalidity theory. 35 U.S.C. § 316 (e).

Turning to the Petition, Petitioner’s analyses on these issues are insufficient. *See* Pet. §§ VIII.A.1(a)-(b). As shown in the excerpts above (p. 26), the Petition asserts, without analysis, that Irwin’s plastic hanging cards 200 are lottery tickets. So does its expert. EX1003 ¶ 100. Neither explains why a POSITA would regard the plastic hanging card 200 as a lottery ticket. *Okajima v. Bourdeau*, 261 F.3d 1350, 1354-55 (Fed. Cir. 2001) (The level of skill provides the lens through which prior art is viewed). This omission is particularly significant because, first, the Petition ignores clear prior art disclosure that another instrument (Irwin’s on-line ticket 210) operates as a lottery ticket.¹ Second, the Petition fails to align Irwin’s disclosure with its own expert’s identification (EX1003 ¶ 64) of characteristic features of

¹ The Petition, and its expert’s declaration, utterly ignore Irwin’s FIG. 14 disclosure. Petitioner’s expert confirmed at his deposition, however, that Irwin’s system determines whether a quick-pick ticket is a winner from a scan of the on-line ticket shown in FIG. 14. *See* EX2051 at 61:6-10.

lottery tickets, features that the hanging card 200 fails to meet. Such superficial analyses do not meet Petitioner's burden to prove obviousness by a preponderance of the evidence. 35 U.S.C. § 316 (e); *Xerox* at 5 (An expert declaration that asserts conclusions as facts and fails to explain them is entitled to no weight).

The evidence to which the Petition cites for such arguments does not demonstrate that these features from the Challenged Claims are met. The Petition at 13, 15, and 16-17, all cite discussion from Irwin at cols. 9:50-10:9. As discussed above, this discussion describes a process in which a merchant 105 scans the hanging card 200 and sends the quick pick request to a lottery central site 160, the lottery central site 160 generates numbers and a serial number for a new lottery ticket, and sends a print command back to the merchant 105 to print a new lottery ticket. The cited passages never describe the hanging card 200 as a lottery ticket, or disclose that the hanging card 200 somehow is activated.

The Petition's analysis fails to acknowledge that the result of the process cited at Irwin, cols. 9:50-10:9 is not that the hanging card is activated but, instead, that the lottery central site 160 sends a print command (*blue*) to the merchant 105 to print a new ticket:

Pet. at 17 (blue annotations added, all others in original)

At pp. 16-17, the Petition also cites to disclosure from Irwin at cols. 6:31-35 and 7:33-35, which relates to instant tickets, not quick-pick tickets. *See* EX1030, cols. 6:31-32 (“The merchant 105 scans the *instant lottery ticket’s* 155 UPC and/or proxy number compatible barcodes ...”), 7:33-35 (“[T]he utilizing of the merchant’s POS 105 register to log each ticket sold enables *each instant ticket* to be activated on an individual basis.”) (emphases added). None of this disclosure establishes that the plastic hanging card 200 is a lottery ticket or that it is activated.

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the plastic hanging card 200 is a lottery ticket without a substantive explanation to justify those assertions. *See Xerox* at 5 (An expert declaration that asserts conclusions as facts and fails to explain them is entitled to no weight). For example, in ¶ 100, he asserts “[t]hese [plastic hanging] cards are tickets for a random draw lottery that supports ‘quick-pick (i.e., numbers automatically selected for the consumer),’ such as ‘Pick 3, Pick 4, Powerball, Mega Millions,’ which are examples of random draw lotteries,” but he fails to explain *why* the cards are tickets for a lottery. In ¶ 103, he again fails to explain why the plastic card should be considered a lottery ticket:

Irwin discloses that “the consumer ... take[s] a plastic hanging card 200 [*i.e. lottery ticket*]... to the merchant,” who will “take the hanging card ... and scan the UPC barcode for the quick-pick sale (202) followed by the interchange compatible barcode 201 to trigger a quick-pick request.”

EX1003 ¶ 103 (emphasis added).

He makes a similarly conclusory assertion in ¶ 106, which fails to explain why the hanging card 200 would be considered a lottery ticket, and why the lottery central site’s action would be considered an activation of a lottery ticket:

This [quick-pick] request results in “[t]he lottery’s central site” activating the ticket by “generat[ing] a pseudorandom quick-pick” and “log[ging] the quick-pick transaction with a generated serial number on its database.”

Id. ¶ 106. Petitioner’s expert fails to explain how these actions represent activation of the card 200.

As noted, Petitioner’s expert explains that lottery tickets have numbers on the player’s ticket, which are compared to numbers randomly selected during a draw event to determine if there is a winning ticket. *Id.* ¶ 64. The expert declaration makes no effort to show that the plastic hanging card 200 has lottery numbers on it. *See id.* ¶¶ 99-100, 102-103, 105-106. And the declaration fails to acknowledge Irwin’s discussion of the ticket 210 in FIG. 14 at all, even though the expert later acknowledged that Irwin discloses that it is the lottery ticket 210 that is checked to determine if a consumer has won a lottery. EX2051 at 61:6-10. Petitioner’s expert declaration does not provide credible evidence to demonstrate that a POSITA would regard the plastic hanging card 200 as a lottery ticket or that it is activated by Irwin’s system.

The Board should reject the Petition’s first invalidity theory that the plastic hanging card 200 (FIG. 12) represents a “manufactured, pre-printed, random draw lottery ticket [that] is selected by a customer prior to initiation of a check-out process and is presented by the customer for activation during the check-out process” under the Challenged Claims.

2. **Irwin’s disclosure of passive game tickets does not render the Challenged Claims obvious.**

Petitioner’s second theory, that Irwin’s disclosure of passive game ticket sales renders the Challenged Claims obvious (Pet. at 14-15, 16) also should be rejected. The Petition fails to demonstrate that a passive game ticket is a “manufactured, pre-printed, random draw lottery ticket [that] is selected by a customer prior to initiation of a check-out process and is presented by the customer for activation during the check-out process.”

Here, the Petition alleges, again without analysis, that the passive game ticket of FIG. 21 is a random draw lottery ticket:

Irwin also discloses “preprinted passive tickets 224’... sold through street vendors” that are “registered as sold on the central site.” *Id.*, 16:65-17:2. Figure 21 depicts an example of “a preprinted passive ticket,” which is a *manufactured, preprinted, random draw lottery ticket*. Ex. 1003, ¶101.



FIG 21

Pet. at 14-15 (emphasis in original).

“Street vendors” also sell pre-printed lottery cards, which are also activated by a *check-out process*. *Id.*, 9:57-58, 12:44-46, 13:40-42, 15:65-16:19. Irwin also discloses that “preprinted passive tickets” are “sold through street vendors,” and a POSITA would understand that such tickets are *selected by a customer* and *presented to the street vendor for activation*. *Id.*, 16:65-17:1. A POSITA would also find it obvious that the street vendor could allow a customer to select and present the preprinted passive tickets because that would allow the customer to choose which ticket to purchase, especially when the vendor may have different types of lottery tickets for sale. Ex. 1003, ¶104.

Id. at 16 (emphases in original).

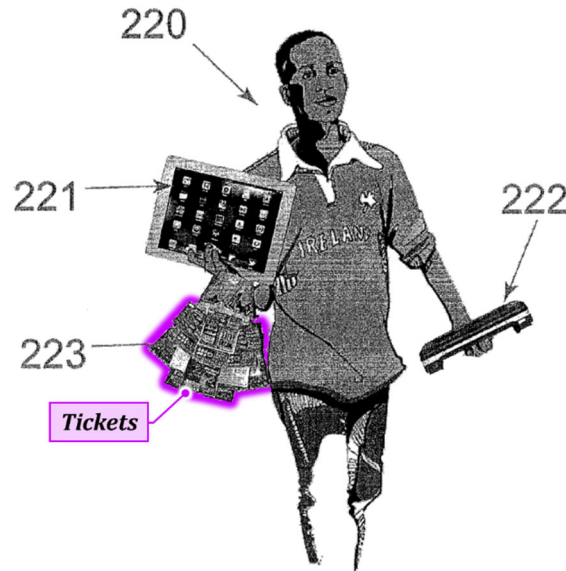
A POSITA would not recognize a passive game ticket to be a “random draw lottery ticket,” as claimed. A passive game ticket is akin to a raffle ticket, where tickets are printed with serial numbers assigned in order. EX2051 at 69:20-70:22.

When a passive game ticket is sold, it is placed in a drawing from which tickets are drawn to win designated prizes. *Id.*; *see also* EX1030 col. 16:41-45. Thus, in a passive game ticket, the drawing always yields a winner. EX2052 ¶¶ 124-130.

In a random draw lottery, by contrast, “numbers [are] randomly selected during the draw event” and compared to numbers on a player’s ticket. EX1003 ¶ 64. Because numbers are randomly selected during a draw event, it often occurs that there is no match between the randomly-selected numbers and the numbers on the eligible lottery tickets, and, thus, the draw yields no top prize winner. EX2052 ¶¶ 126-127. The well-known lotteries, Powerball, Mega Millions, etc., can offer enormous prizes at times because jackpot monies from one draw that fails to result in a top prize winner can be rolled over to another draw. *Id.* (discussing EX2054-2056). Thus, a POSITA would recognize that a passive game ticket described by Irwin is not a “manufactured, pre-printed, random draw lottery ticket,” under the Challenged Claims. Therefore, Petitioner failed to meet its burden to show obviousness under its second invalidity theory. 35 U.S.C. § 316 (e).

Additionally, a POSITA would not recognize that Irwin’s passive game tickets are “selected by a customer *prior to initiation of a check-out process* and [] presented by the customer for activation *during the check-out process.*” Irwin discloses that passive game tickets are sold by roaming street vendors who conduct street sales with consumers “on the spot.” EX1030 col. 12:44-52. Irwin discloses

that, for preprinted tickets, the street vendors carry “a limited inventory.” *Id.* Irwin further discloses that they carry these preprinted tickets (*purple*) on their person:



Irwin (EX1030), FIG. 16 (annotated)

These features of passive game tickets—they are sold in street sales “on the spot,” they are carried in limited inventories by vendors, and they are carried on the street vendor’s person—are inconsistent with the Challenged Claims.

In the Challenged Claims, a “manufactured, pre-printed, random draw lottery ticket is *selected* by a customer *prior to initiation of a check-out process*.” The lottery ticket “is *presented* by the customer for activation *during the check-out process*.” Irwin has no disclosure that suggests sales of passive game tickets are conducted in this manner. Irwin’s “street vendors [] roam with a limited inventory of [] tickets,” and “conduct[] street sales ... on the spot.” EX1030 col. 12:44-52. Irwin’s disclosure suggests that consumers buy tickets as Irwin describes them: “on

the spot.” *Id.* This does not teach that that any check-out process occurs, that a customer selects a ticket prior to a check-out process, or that a customer ever presents a ticket to the vendor. Instead, it is the vendor that carries the tickets (FIG. 16) and presents a ticket to the consumer in a spot sale. *Id.*; *see also* EX2052 ¶¶ 131-139.

Turning to the Petition, Petitioner’s cited evidence does not support a conclusion that Irwin’s disclosure of passive game ticket sales renders the Challenged Claims obvious. At p. 14, the Petition cites to Irwin at cols. 16:65-17:2 and FIG. 21. But this disclosure does not demonstrate that the preprinted passive game tickets 224’ are lottery tickets. Here, Irwin discloses that the ticket has serial numbers 225’, 226’ printed on them, which demonstrates that they function essentially as raffle tickets, not lottery tickets. EX2051 at 70:8-10 (the tickets are preprinted and serialized).

At p. 16, the Petition cites Irwin at cols. 16:65-17:1 for the proposition that the passive game tickets “are selected by a customer and presented to the street vendor for activation.” But the cited passage from Irwin merely shows that the ticket has serial numbers 225’, 226’ that are recorded in a central database at a time of sale. It says nothing to suggest that a customer presents a passive game ticket to a street vendor at the time of sale. The passage certainly contains no disclosure to disrupt Irwin’s other disclosure, which indicates that the street vendor does not carry the

passive game tickets on his person (EX1030 FIG. 16) and he conducts ticket sales “on the spot” (*id.* col. 12:44-52).

The Petition, at p. 6, cites other passages from Irwin as allegedly showing that Irwin activates a preprinted passive game ticket 224’ during a “check-out process.” Pet. at 6 (citing EX1030 at 9:57-58, 12:44-46, 13:40-42, 15:65-16:19). None of these passages suggest that a customer selects a passive game ticket prior to a check-out process then presents the selected ticket to a street vendor during the check-out process:

- At col. 9:57-58, Irwin discusses a merchant 105 that scans a plastic hanging card 200 for a quick-pick. This discussion has no relevance to Irwin’s passive game ticket 224’ or its street vendor implementation.
- At col. 12:44-46, Irwin discusses sales of street vendors without custom hardware solutions. Here, Irwin’s discussion provides an introduction to the features of street sales that are discussed above, namely, that street vendors roam with a limited inventory of tickets and they sell tickets to consumers on the spot. *See generally* EX1030 col. 12:44-52. But there is no suggestion that consumers select tickets before any check-out process or that consumers present tickets to a street vendor. Instead, this discussion shows that the street vendor carries tickets on his person and presents them to customers.

- At col. 13:40-42, Irwin discusses sales of instant and on-line tickets. The instant tickets, however, are not for random draw lotteries. The on-line tickets are not preprinted. *See* EX1030 col. 16:7-13 (on-line tickets are printed at portable printer 222). This discussion does not relate to the preprinted passive game tickets that are at issue in Petitioner’s second invalidity theory.
- At cols. 15:65-16:19, Irwin discusses a process for selling on-line tickets by a street vendor. Again, the on-line tickets are not preprinted. *Id.*

Thus, none of this evidence suggests that Irwin teaches or suggests passive game tickets that are [1] “selected by a customer prior to initiation of a check-out process,” or [2] “presented by the customer for activation during the check-out process,” as recited in the Challenged Claims.

Petitioner’s expert also fails to show these elements are met. *See* Pet. at 14-15 (citing EX1003 ¶ 101), 16 (citing ¶ 104). In ¶ 101, the declaration does not explain why a POSITA would regard the preprinted passive game tickets 224’ as lottery tickets. *Xerox*. And, as noted, at his deposition, Petitioner’s expert acknowledged that the passive game tickets are akin to raffle tickets. EX2051 at 69:20-70:22.

In ¶ 104, the expert alleges without explanation that “such tickets are selected by a customer and presented to the street vendor,” and cites to the same passage from

Irwin (cols. 16:65-17:1) as the Petition does. As explained above, this discussion does not show that tickets are selected by a customer prior to a check-out process. The expert also alleges that it would be obvious for “the street vendor [to] allow a customer to select and present the preprinted passive tickets, because that would allow the customer to choose which ticket to purchase, especially when the vendor may have different types of lottery tickets for sale.” This inference is conclusory and contradicted directly by Irwin’s disclosure that street vendors carry printed tickets on their person and they conduct sales with consumers “on the spot.” EX1030 col. 12:44-52. This teaches that all interaction between a customer and a street vendor occurs in a single transaction (EX2052 ¶¶ 134-135, 137); Irwin’s disclosure does not suggest an interaction in which a customer selects a passive game ticket “prior to initiation of a check-out process” with a street vendor and later presents the passive game ticket “during the check-out process” with the street vendor. The expert’s assertions simply cannot be aligned with Irwin’s clear disclosure.

The Board should reject the Petition’s second invalidity theory that the passive game ticket 224’ (FIG. 21) represents a “manufactured, pre-printed, random draw lottery ticket [that] is selected by a customer prior to initiation of a check-out process and is presented by the customer for activation during the check-out process” under the Challenged Claims.

3. Ground 1 fails as to claims 11 and 12

The Board should reject Ground 1, as applied to claims 11 and 12, because the Petition failed to demonstrate that Irwin teaches or suggests transmitting randomly determined lottery numbers to a lottery administration system. Both claims recite “wherein the information provided to the lottery administration system includes one or more randomly determined lottery numbers ...” EX1001, claims 11, 12.

The Petition’s analyses of claims 11 and 12 fail to show that these recitations are met. First and foremost, the Petition makes no effort to identify where or how Irwin purportedly discloses lottery numbers being provided to the lottery central site 160 under either claim. *See* Pet. 36-38. Nor does Petitioner’s expert. EX1003 ¶¶ 153-157. Having failed to identify anything that shows randomly determined lottery numbers being “provided to the lottery administration system,” the Petition failed to meet its burden to show obviousness by a preponderance of the evidence. 35 U.S.C. § 316 (e).

In fact, the Petition acknowledges, for claims 11 and 12, that Irwin’s lottery central site 160 possesses its own random number generator. *See* Pet. at 36 (“the lottery central site ‘use[s] a random number generator to generate a pseudorandom quick-pick,’ i.e. randomly determined lottery numbers”), 37-38 (it purportedly is obvious to use a random number generator to generate numbers prior to purchase).

This analysis demonstrates there is no reason to provide random numbers to a lottery central site 160 because it is the lottery central site that generates the numbers in the first place. Irwin's central site 160 already stores the ticket's random numbers in association with the ticket's serial number, and it uses the serial number to determine if a ticket is a winner or not. EX1030 col. 11:58-62. This is but another reason on which to find that the Petition fails to make a requisite showing of obviousness.

The Petition's suggestion that it would have been obvious to generate random numbers on a retailer POS instead of a lottery central site fails to demonstrate obviousness. The Petition's argument that a POSITA would find it desirable to "distribute the task of number generation to the numerous retailer POS systems instead of using precious computing resources at the central site" (Pet. at 37) finds no support in Irwin's disclosure. Irwin never describes the lottery central site 160 as being resource-constrained. Instead, Irwin describes it as a "hub" and populated by "servers." EX1030 cols. 1:21-26 (hub), 6:27-29 (server), 6:54-58 (server). A POSITA would recognize that servers typically are resource rich computer systems, capable of performing large numbers of transactions. *See* EX1003 ¶ 8 (Mr. Hutton designed a lottery system whose server processed 1,500 transactions per second). No evidence suggests that lottery server systems are resource constrained to make it desirable to distribute the task of number generation to retail POS systems.

C. Grounds 3 and 4

The Board should reject Petitioner’s argument that it would have been obvious to combine Szrek and Llach by “modify[ing] Szrek’s system ... to incorporate Llach’s teachings of an intermediary transaction computer between Szrek’s cash register and game provider system” and adding Llach’s encryption and VPN for communications (Pet. at 47),² as contrived and unsupported by the references’ disclosures.

Szrek discloses a cash register 230 that communicates with a game provider 250 either directly or indirectly. EX1005 cols. 3:14-17, 4:23-25. Szrek does not describe direct communication in any detail. FIG. 2, however, illustrates indirect communication where the cash register 230 communicates a “request for sales information” to a store back office 240 when it scans merchandise, requesting product and price. *Id.* col. 4:56-59. For a lottery ticket, the store back office 240 transforms the request to a “ticket activation request” and sends it to a game provider 250. *Id.* col. 4:59-64. The game provider 250 authorizes ticket activation, and sends back a lottery product description, a price, and an activation receipt identifier. *Id.*

² Ground 4 proposes to add teachings of Gilmore to this Szrek-Llach combination. Pet. at 69.

The cash register 230 prints this information on receipt. *Id.* col. 4:65-67; *see also id.* col. 6:28-43.

The Petition acknowledges that Szrek's store back office 240 is not a third-party transaction processor. Pet. at 47 ("Szrek does not expressly disclose a third-party transaction processor") 52 (Szrek does not disclose that indirect communications with the game provider are routed through a third-party transaction processor). It argues that a POSITA would place Llach's "intermediary transaction computer between Szrek's cash register and game provider system." *Id.* It further argues that Szrek teaches that the references' systems are compatible because, among other things, Szrek "discloses that communications between POS terminals and the game provider system can be done 'indirectly,' such as through an intermediary like that disclosed in Llach." *Id.* at 48. The Board should reject the Petition's proposed combination contrived and unsupported by the references.

Llach proposes a transaction computer to process stored value cards in ways that ordinary POS systems do not. Llach explains that the market for stored value cards was congested. EX1006 [0003] ("The marketplace is currently filled with many types of stored value cards offered by numerous card issuers."). There were so many stored value cards that it had become "difficult for card issuers to distinguish themselves in the marketplace from other issuers of stored value cards." *Id.* Llach proposes a solution to this problem by offering a system for "adding value

to a stored value card in excess of the purchase price for the stored value card.” *Id.* [0004]. Llach’s stored value transaction processor has a value added determination unit 153 (*pink*) that determines, from information received in a request from a point of sale component 111 (*blue*) and information in a datastore 180 (also *pink*), whether a stored value card at the point of sale component 111 is eligible for a value added award.

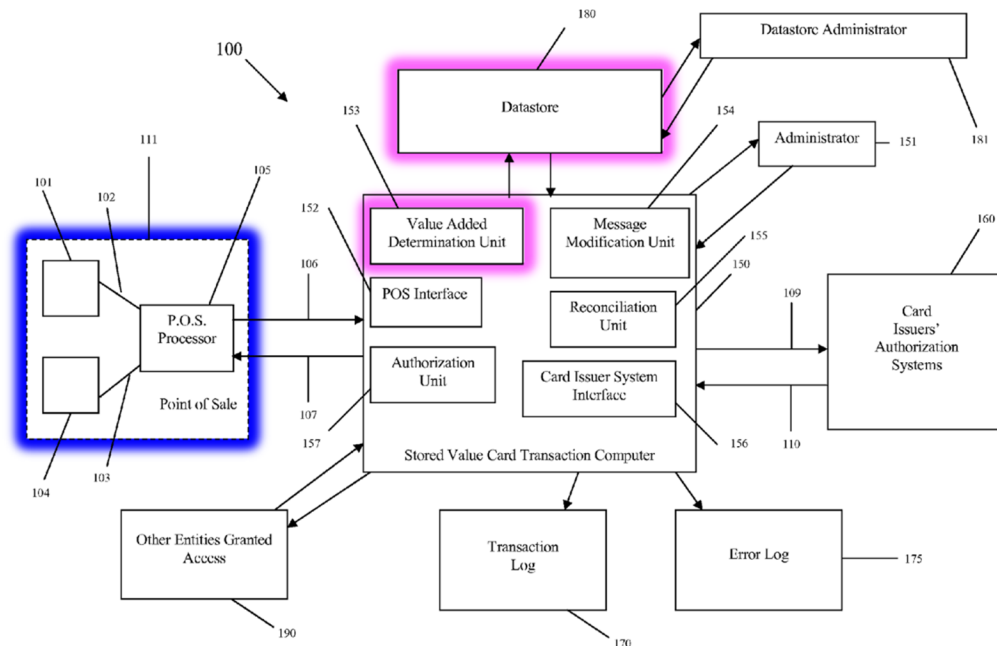
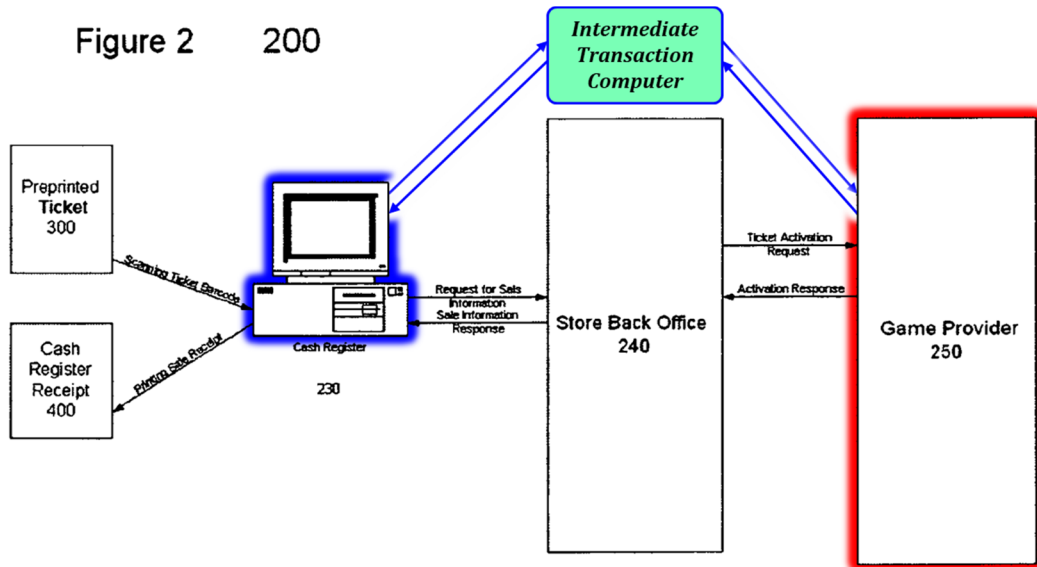


Figure 1

***Llach* (EX1006), FIG. 1 (annotated)**

Id. [0034]-[0036]. When an award is to be made, the transaction computer 150 modifies the request that it receives from the point of sale component 111 before it is processed by the card issuers authorization system 160. *Id.* Abstract.

A POSITA would have no reason to modify Szrek's system as Petitioner proposes, to place "an intermediary transaction computer [bright green] between Szrek's cash register and game provider system" (Pet. at 47):



Szrek (EX1005), FIG. 2 (annotated)

First, as Petitioner notes, Szrek discloses an embodiment where the cash register 230 already communicates *directly* with the game provider 250. Pet. at 52 (citing EX1005, col. 3:14-17). A POSITA, who is interested in speed, efficiency, and ease of implementation as Petitioner suggests (Pet. at 56), would not be motivated to interpose a transaction computer between two components, the cash register 230 and the game provider 250, that already communicate directly with each other. EX2052 ¶ 163. Doing so only adds delay, reduces efficiency, and creates implementation complexities by converting a simple, direct communication exchange into an exchange that traverses multiple systems. *Id.*

Second, a POSITA would understand that the configuration where a cash register 230 communicates with a game provider 250 *indirectly* through a back office 240 (FIG. 2) employs a *store* back office for a reason. EX1005 col. 2:51 (the store back office is “connected to [a] store chain network.”); *see also* EX2052 ¶¶ 152-161 (describing advantages of a store back office). Providing a store back office 240 allows the cash register 230 to process a lottery ticket like any other product. EX1005 col. 6:30-34 (“Normally when a barcode 310 is scanned for any merchandise, the checkout register 230 application looks up the merchandise price in database or checks the price by using some algorithmic interface.”); *see also id.* 4:56-59. A store back office 240 typically contains a database that relates product and price information to scanned UPC codes. EX2052 ¶¶ 153-154. Thus, for non-lottery products, the store back office 240 returns product and price information to the cash register in response to a scanned UPC code. *Id.* For lottery products, however, the store back office 240 transforms the request that the cash register 230 generates from a UPC code into an activation request that is sent to the game provider 250. EX1005, col. 4:59-64; *see also* EX2052 ¶ 160. The game provider 250 returns the product description and price, which the store back office 240 provides to the cash register. EX1005, col. 4:50-67. Thus, in this embodiment, the cash register 230 handles lottery tickets as any other product, and the store back

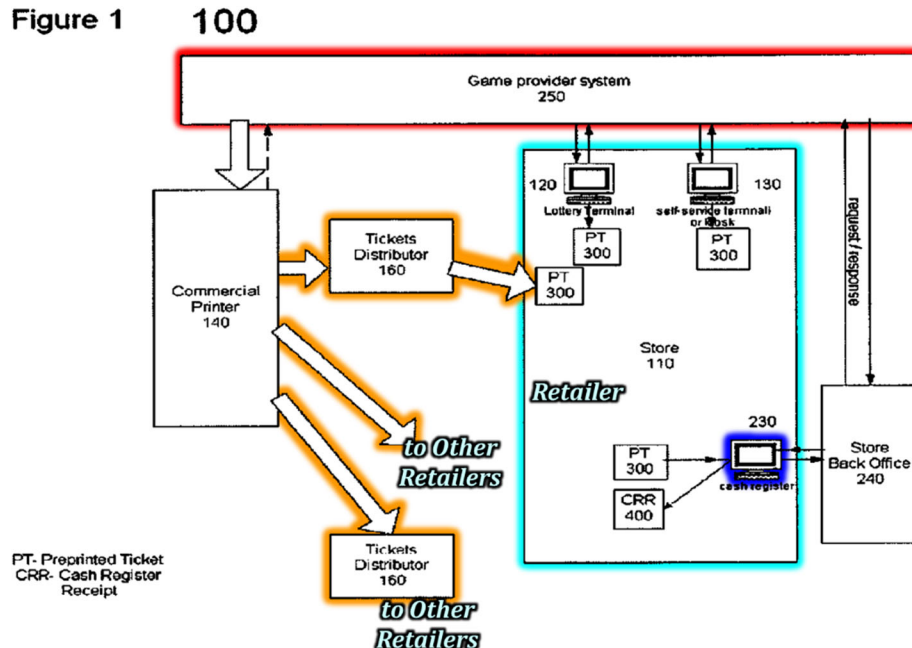
office 240 handles the communication exchange with the game provider 250. EX2052 ¶¶ 160-161.

Employing an intermediary transaction computer (*green*), as the Petition proposes, creates unnecessary complexity in Szrek's FIG. 2 embodiment. In such an implementation, the cash registers 230 would need to be programmed to handle lottery tickets differently than other merchandise. EX2052 ¶ 164-166. The cash register 230 no longer can process scanned UPC codes uniformly and request product type and price information from the store back office 240. *Id.* Instead, the cash register must distinguish a lottery ticket's UPC code from UPC codes of other products, and it must direct communications to different entities, the store back office 240 vs. Petitioner's intermediary transaction computer. *Id.* A POSITA would have no reason to do so when it: a) increases implementation complexity to Szrek's system, and b) Szrek discloses a back office computer 240 that already possesses all functionality to manage communication with the game provider 250 for activating tickets. *Id.*

A further complexity that arises if an intermediary transaction computer were added to Szrek's system involves audit processing. In Szrek's two-party system, no matter whether the cash registers 230 communicate directly with a game provider 250 or indirectly through a store back office 240, only two parties need to perform an accounting of ticket activations. EX2051 at 79:5-86:8; EX2052 ¶ 167. The

retailer performs its accounting of activation transactions, and the game provider 250 performs its own accounting of those transactions, which are later reconciled. *Id.* A three-party system involving a retailer's cash register 230, Petitioner's new intermediary transaction processor, and a game provider 250, doubles accounting complexity. EX2052 ¶ 167. Now, three accountings are required: one performed by the retailer, one performed by Petitioner's intermediary transaction processor, and one performed by the game provider 250. *Id.* Here, again, a POSITA would not be inclined to modify Szrek's system to add an intermediary transaction processor as Petitioner proposes when doing so adds complexity. This accounting complexity also would arise in the configuration (EX2049) that Mr. Hutton omitted from his declaration but proposed for the first time in his declaration. EX2052 ¶ 168.

Turning to the Petition, its rationales for adding a so-called "intermediary transaction computer" to the Szrek system, are plainly insufficient to show motivation to make the proposed modification. The Petition first argues that "A POSITA would be motivated to [make the modification] because it would expand Szrek's system, allowing it to have a centralized system for activating lottery tickets from different retailers and different locations." Pet. at 47. But a POSITA would recognize that Szrek's system *already* has a centralized system for activating lottery tickets—the lottery tickets are activated by the game provider 250 (*red*):



Szrek (EX1005), FIG. 1 (annotated)

See EX1005 col. 3:46-49 (“All tickets are “preloaded in the game provider’s system, and during ticket activation, the game provider system merely recognizes from the ticket identifier what transaction is activated”), 4:60-64 (an activation “request is then sent to the game provider, who authorizes the activation and sends back lottery product description, price, and activation receipt identifier, usually with some security code”), 6:34-43 (transaction requests are sent to game provider 250, which activates the ticket); see also EX2052 ¶ 170. And a POSITA would recognize that the game provider 250 activates lottery tickets that are distributed to different retailers and retail locations (*aqua*) via Szrek’s ticket distributors 160 (*orange*). EX1005 col. 2:2-30 (tickets are distributed to agent sales locations); EX2048 at 27:3-13 (Szrek’s ticket distributors 160 (FIG. 1) distribute tickets to different retail

locations). A POSITA would not add a transaction computer to perform functions that Szrek's system already performs itself. *See Cisco Sys., Inc. v. K Mizra LLC*, IPR2021-00593, Paper 41 at 30 (PTAB September 19, 2022) (Petitioner failed to sufficiently explain why a POSITA would have looked to secondary reference (Lewis) to modify a primary reference (Gleichauf) "when Gleichauf provides all of the Petitioner-identified benefits or advantages of the proposed combination of Gleichauf and Lewis.").

The Petition's related arguments, that the proposed modification "allows for support for different game providers, such as different lottery companies," it provides the "ability to communicate 'with individual card issuers' authorization systems 160 to effectuate activation or deactivation of the transaction cards," and it provides "the ability to communicate with 'other entities' that may provide useful services" (Pet. at 47-48), would not expand Szrek's capability, either. Szrek's cash register 230 (*blue* above), as disclosed, already communicates with activation systems for different products. For example, Szrek's cash registers activate phone cards, random draw lottery tickets, and instant win lottery tickets. *See* EX1005 cols. 2:48-53 (phone card registration occurs by sending a registration request from a cash register to a phone service provider), 4:56-58 (a "cash register originates a transaction to the game provider requesting ticket activation"), 7:9-11 ("instant tickets sales could be handled at POS with instant ticket ID registration to enable

instant ticket sales control and integrated accounting”); *see also* EX2052 ¶ 171. The cash register may do so either directly or via a store back office. EX1005 cols. 2:48-51 (phone cards), 4:22-25 (lottery tickets).

And, of course, Szrek discloses that the cash register 230 is a cash register, which already communicates with the Petitioner’s “‘other entities’ that may provide useful services” (Pet. at 47). It was well known at the time that cash registers 230 natively possess functionality to process financial instruments such as checks, credit cards and stored-value cards. EX2052 ¶ 172. It further was well known that cash registers 230 communicate with retailer computer systems to support auditing. EX2051 at 81:11-86:22 (describing accounting functions performed by Szrek for instant tickets, quick-pick tickets, and phone cards); EX2052 ¶ 172. Typically, such functionality is provided by the store’s back office system. EX2052 ¶ 172. Thus, the so-called “expansion” that Petitioner identifies as purportedly provided by its proposed modification is no expansion at all. Again, a POSITA would not add a new component to perform functions that Szrek’s system already performs itself. *Cisco*.

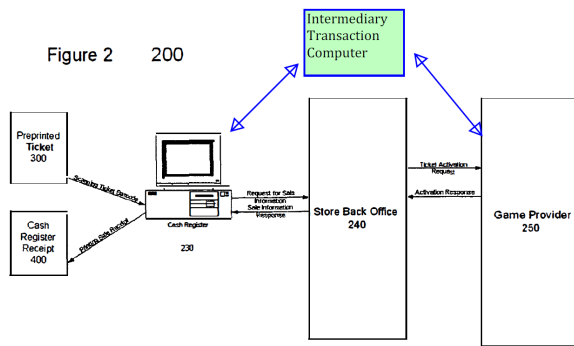
Llach confirms that point of sale systems possess many of the capabilities that the Petition alleges would be expanded by use of Llach’s techniques. For example, Llach discloses that the market for stored value cards, at the time, was “filled with many types of stored value cards offered by numerous card issuers” (EX1006

[0003]), which suggests that point of sale systems, such as Szrek’s, already have the “ability to communicate ‘with individual card issuers’ authorization systems 160 to effectuate activation or deactivation of the transaction cards.” (Pet. at 48). Petitioner’s suggestion that a POSITA would be motivated to add a *third component* when Szrek already discloses *two components*—the cash register 230 and store back office 240—that perform these operations, shows the contrived nature of Petitioner’s motivation arguments.

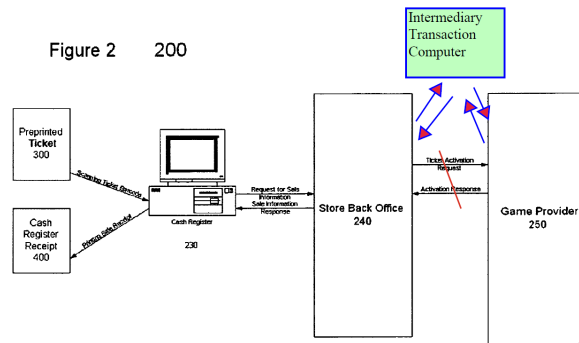
The forced nature of Petitioner’s invalidity theories is shown also by its argument that obviousness somehow is shown by Patent Owner’s commercial activities. Pet. at 49 (“[T]he well-known application of gift card activation systems for lottery ticket activation is how Patent Owner entered the lottery ticket activation business.”). First, this argument invites the Board to commit legal error by inferring that the Challenged Claims are invalid based on the manner in which the invention was made. 35 U.S.C. § 103 (“Patentability shall not be negated by the manner in which the invention was made.”). Moreover, the argument suggests that the Challenged Claims somehow are invalid based on activity that occurred *after* the ’451 Patent’s 2015 priority date. Compare EX1001.0001 (claiming priority to applications filed in 2015) with Pet. at 49 (“In mid-2018, Blackhawk took the obvious and well-known step of ‘use of its network to help sell lottery products’”). This argument foists legal error on top of shaky technical analysis.

The Board should remain mindful that the Petition’s motivation to combine arguments leverage none of the functionality that Llach proposes to augment stored value cards. Llach’s transaction processor affords card issuers opportunities to distinguish their products from other stored value cards by “adding value to a stored value card in excess of [its] purchase price.” EX1006, Abstract, [0004]. When a stored value card transaction processor receives an activation or redemption request from a point of sale terminal, it compares data from the request to data in a local stored value card datastore to determine if the card is eligible for a value added award. *Id.* If so, the transaction processor modifies the received request. It sends the modified request a card issuer’s authorization system. *Id.* The transaction processor transmits a response from the authorization system to the point of sale terminal, which includes data representing the value added award. *Id.*

And, as noted above (§ VII.A), Petitioner’s expert rejected the modification proposed by the Petition, where “the intermediary transaction computer [is placed] between Szrek’s cash register and game provider system” (Pet. at 41) in favor of another configuration, not identified by the Petition, in which the transaction computer is placed between the store back office 240 and the game provider 250:



Szrek (EX2050), FIG. 2
(first annotation developed during expert deposition)



Szrek (EX2049), FIG. 2
(second annotation developed during expert deposition)

EX2051 at 104:3-12 (“So if I add a box, call it a transaction computer, and I put it with arrows connecting the cash register to the game provider, does that accurately represent the modification that would be performed to Szrek’s system -- A. No. Q. - - that’s represented in paragraph 180? A. No.”). Mr. Hutton’s repudiation of Petitioner’s proposed modification of Szrek demonstrates that the Petition has not made a showing of obviousness by a preponderance of the evidence. 35 U.S.C. § 316 (e).

Petitioner failed to demonstrate that it would have been obvious to modify Szrek as proposed.

VIII. CONCLUSION

For the foregoing reasons, Patent Owner requests the Board to reject the invalidity grounds proposed in the Petition.

Respectfully submitted,

Date: April 24, 2025

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**CERTIFICATE OF COMPLIANCE WITH
TYPE-VOLUME LIMITATION, TYPEFACE REQUIREMENTS,
AND TYPE STYLE REQUIREMENTS**

1. This Corrected Response complies with the type-volume limitation of 14,000 words, comprising 11,685 words, as counted using the Microsoft Word software that was used to prepare this paper, excluding the parts exempted by 37 C.F.R. § 42.24(b).

2. This Response complies with the general format requirements of 37 C.F.R. § 42.6(a) and has been prepared using Microsoft® Word 2016 in 14-point Times New Roman.

Date: April 24, 2025

By: /Robert L. Hails/
Robert L. Hails
Reg. No. 39702

Counsel for Patent Owner

CERTIFICATE OF SERVICE

The undersigned certifies that a copy of the foregoing Patent Owner's Corrected Response were served electronically via email on April 24, 2025, on the following:

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Date: April 24, 2025

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