

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

WILLIAM HILL U.S. HOLDCO, INC. AND
BRANDYWINE BOOKMAKING LLC
Petitioners

v.

CG TECHNOLOGY DEVELOPMENT, LLC,
Patent Owner

Case No. IPR2019-00319
Patent No. 9,240,098

Patent Owner's Preliminary Response

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I. Preliminary Statement

Petitioners cannot meet their burden to show a reasonable likelihood of success on the merits. Each of their three separate grounds for unpatentability merely rehash prior art disclosures already considered by the Examiner during prosecution. As a result, the Board should deny institution under 35 U.S.C. § 325(d). Petitioners mislead the Board by stating that the prior art references of record here *were not* considered by the Examiner during prosecution of the '098 patent. As detailed below, this is not the full story.

The disclosures of the two primary references relied on by Petitioner—Bradford and Parrott—served as the basis for a substantive rejection of substantially similar claims in a corresponding PCT application. The PCT written opinion, which detailed the rejection based on a continuation of Bradford (having the same disclosure as Bradford) in view of Parrott, was later reviewed, considered, and cited by the Examiner during prosecution of the '098 patent.

The U.S. Patent and Trademark Office allowed the claims of the '098 patent over the same prior art disclosures and arguments Petitioners rely on here. Patent Owner has already overcome the disclosures of the Bradford and Parrot references and, thus, should not be subject to IPR based on cumulative grounds in accordance with 35 U.S.C. § 325(d). Patent Owner respectfully requests that the Board within its discretion deny institution.

II. Institution Should Be Denied in Accordance With 35 U.S.C. § 325(d)

The Board should deny the Petition under 35 U.S.C. § 325(d) because Petitioners raise the “same or substantially the same prior art and arguments” previously presented during prosecution. The Board routinely denies petitions for this reason. *See, e.g., Cultec, Inc. v. StormTech LLC*, IPR2017-00777, Paper 7 (P.T.A.B. Aug. 22, 2017) (informative) (denying institution under 35 U.S.C. § 325(d) where the Patent Office previously evaluated two asserted references during examination); *Nu Mark LLC v. Fontem Holdings I, B.V.*, IPR2016-01309, Paper No. 11 (P.T.A.B. Dec. 15, 2016) (denying petition because it relied on substantially the same prior art and arguments previously presented during prosecution); *see also Nora Lighting, Inc. v. Juno Mfg., LLC*, IPR2015-00601, Paper 13 at 9-13 (P.T.A.B. Aug. 12, 2015) (denying petition asserting prior art that was “duplicative” of art presented during ex parte reexamination).

Denying petitions that raise the same or substantially the same art and arguments previously considered by the Patent Office ensures the purpose of the AIA in “providing quick and cost effective alternatives to litigation” is not frustrated through “repeated litigation and administrative attacks on the validity of a patent.” Ex. 2007, p. 48. Indeed, the AIA reinforces the importance of “quiet title to patent owners” and “restor[ing] confidence in the presumption of validity that comes with issued patents” through the post-grant review procedure. *Id.* But

petitioners erode these objectives when they merely review a patent's prosecution history and repackage its contents, as in this case, as grounds for a petition.

In denying petitions under Section 325(d), the Board considers non-exclusive factors such as:

- (a) the similarities and material differences between the asserted art and the prior art involved during examination;
- (b) the cumulative nature of the asserted art and the prior art evaluated during examination;
- (c) the extent to which the asserted art was evaluated during examination, including whether the prior art was the basis for rejection;
- (d) the extent of the overlap between the arguments made during examination and the manner in which Petitioner relies on the prior art or Patent Owner distinguishes the prior art;
- (e) whether Petitioner has pointed out sufficiently how the Examiner erred in its evaluation of the asserted prior art; and
- (f) the extent to which additional evidence and facts presented in the Petition warrant reconsideration of the prior art or arguments.

Becton, Dickinson & Co. v. B. Braun Melsungen AG, IPR2017-01586, Paper 8 at 17-18 (P.T.A.B. Dec. 15, 2017) (informative). As discussed below, the *Becton, Dickinson* factors, when taken individually and then in their entirety, show that the Petition should be denied.

A. Petitioners' Grounds Are Based on Previously-Considered References Over Which the Claims Were Allowed

With respect to the first two *Becton, Dickinson* factors, Petitioners are simply wrong that the same prior art was neither “involved during examination” (first factor) nor “evaluated during examination” (second factor) of the '098 patent. While Petitioners contend that “[t]he Bradford reference used in this Petition was not considered during prosecution,” Pet., 4, the face of the '098 patent shows its disclosure *was* considered: the Examiner reviewed and cited U.S. Patent 6,709,333 to Bradford et al. (“Bradford '333”). Ex. 1002, p. 1. Indeed, it is the very first reference cited:

(56)

References Cited

U.S. PATENT DOCUMENTS

6,709,333	B1 *	3/2004	Bradford et al.	463/29
7,366,346	B2 *	7/2011	Rowe et al.	463/29

(Continued)

As a continuation of Bradford cited in the Petition (U.S. Patent No. 6,612,928 (“Bradford”), Bradford '333 shares: (1) an identical specification; (2) the exact same figures, and (3) a common priority date. *Compare* Ex. 1003 *with* Ex. 2009. At the very least, Bradford '333 qualifies as “substantially the same prior art” as—and cumulative of—Bradford. Notably, Bradford '333 was specifically “cited by [the] examiner” during prosecution, Ex. 1002, p. 2, and was not simply disclosed by Patent Owner.

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(56)		References Cited	FOREIGN PATENT DOCUMENTS		
U.S. PATENT DOCUMENTS			MO	I/001265	3/2014
			TW	201508662	3/2015
			WO	WO 2014/164504	10/2014
2003/0228898	A1 *	12/2003 Rowe 463/25			
2004/0038733	A1 *	2/2004 Walker et al. 463/25			
2004/0147309	A1 *	7/2004 Chamberlain et al. 463/25			
2005/0054417	A1	3/2005 Parrott et al.			
2006/0281543	A1 *	12/2006 Sutton et al. 463/29			
2008/0268934	A1 *	10/2008 Mattice et al. 463/16			
2011/0014975	A1 *	1/2011 Grabiec et al. 463/25			
2014/0256423	A1	9/2014 Williams et al.			
2014/0256425	A1	9/2014 Flaherty			
			OTHER PUBLICATIONS		
			PCT Written Opinion of the International Searching Authority for App. No. PCT/US2014/022632; Jul. 1, 2014; 14 pages.		
			* cited by examiner		

Thus, Petitioners not only failed to identify Bradford '333 as having the *same* disclosure as the Bradford they rely on in their Petition, they go one step further by suggesting that the disclosure of Bradford “was not considered during prosecution.” Pet., 4.

Petitioners are also wrong that Parrott was not considered or “relied upon by the Office in any rejection during prosecution.” Pet., 4-5. The exact Parrott reference was considered—and relied upon—by the Examiner during prosecution of the ’098 patent. As with Bradford ’333, the Examiner signed the IDS and expressly indicated that the Parrott reference had been “considered” (Ex. 2001, p. 90):

U.S. PATENT DOCUMENTS

[illegible]

FOREIGN PATENT DOCUMENTS

Examiner Initials	Cite No.	Foreign Document Number	Date	Country Code	Name of Patentee or Applicant of Cited Document	Sub-Class	Translation
		WO 2014/0164504	10/9/2014	PCT	CFPH, LLC		

NON PATENT LITERATURE DOCUMENTS

Examiner Initials	Cite No.	Author, Title, date, pages, volume, publisher, city and/or country where published
		PCT Int'l Search Report for App. No. PCT/US2014/022632; 7/1/2014; 4 pages
		PCT Written Opinion of the International Searching Authority for App. No. PCT/US2014/022632; 7/1/2014; 14 pages

Examiner Signature	/Sunit Pandya/	Date Considered	01/09/2015
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ALL REFERENCES CONSIDERED EXCEPT WHERE LINED THROUGH. /S.P./

Under the first two *Becton, Dickinson* factors, Petitioners' Bradford and Parrott references are identical in all material respects as references relied on and considered by the Examiner during prosecution. This fact contradicts Petitioners'

statements and their blatant attempt to circumvent Section 325(d), and weighs in favor of the Board exercising its discretion to deny institution of this Petition.

B. Petitioners' Grounds Mirror the Application of Bradford and Parrott in the PCT Written Opinion Expressly Considered During Prosecution

The prosecution history shows that that the Examiner considered the disclosures of Bradford and Parrott. Accordingly, this is “not a case where the prior art was simply listed in an IDS during prosecution.” *Becton, Dickinson & Co.*, IPR2017-01586, Paper 8 at 23. Here, the disclosures of Bradford and Parrott were substantively evaluated during prosecution of the '098 patent based on obviousness rejections of claims in a corresponding PCT application *substantially similar* to the claims of the '098 patent. Petitioners' grounds repackage the same obviousness arguments based on the same combination of the disclosure of Bradford and Parrott already considered by the Office during review of the PCT written opinion, which was made of record and presented to the Examiner during prosecution of the '098 patent. *See* Ex. 2001, pp. 90-91.

Specifically, Patent Owner filed a PCT application, designating the U.S. Patent Office as the “receiving Office.” Ex. 2003, p. 1. The PCT application claimed priority to the '098 patent, Ex. 2003, p. 4, and recited claims that were substantially similar to those of the '098 patent, and identical to the claims of related U.S. Patent 9,269,224 (“the '224 patent”). *Compare* Ex. 1002, p. 10, claim

2 *with* Ex. 2001, p. 127, claim 1. Indeed, the similarity between the claims of the '098 patent and '224 patent is confirmed by the Terminal Disclaimer filed during prosecution of the latter. Ex. 2002, p. 60. For example, independent claim 2 of the '098 patent recites:

2. A kiosk for gaming by patrons, comprising:
 - a kiosk housing designed hold a processor, identification scanner, and biological sensor, and to permit installation at a site for interaction with human patrons;
 - an identification scanner mounted in the kiosk housing and designed to accept an identification document and to scan identification information from the identification document into digital form for transmission over a network;
 - a biological sensor mounted in the kiosk housing and oriented to obtain biological data describing a human patron at the kiosk into digital form for transmission over a communication network;
 - input-output device(s) mounted in the kiosk housing and designed to accept registration/login information and gaming commands from a human patron and to present information to the human patron for interactive gaming;
 - one or more microprocessors mounted in the kiosk housing and programmed to:
 - present instructions to the human patron through the input-output device(s), including an instruction to the patron to

insert a government-issued identification document into the identification scanner;

obtain a digital form of the patron's identification from the patron's government-issued identification document using the identification scanner;

obtain biological data describing a biological feature of the patron from the biological sensor;

verify the identity of the patron and acceptability of the patron for gaming based at least in part on the digital form of the patron's identification and the biological data; and

on verification, to offer gaming activities to the verified patron.

Ex. 1002, p. 10, claim 2. In comparison, independent claim 1 of the PCT application recites similar elements as indicated by the highlights below:

1. A computing device for gaming by patrons, comprising:
a computing device with a processor, memory, at least one identification acceptor, at least one biological sensor, and at least one network connector, and designed to permit installation at a site for interaction with human patrons;
the identification acceptor being designed to accept a government-issued identity document and to scan identification information from the identification document into digital form for transmission over a network;
the biological sensor being designed and oriented to obtain biological data describing a human patron into digital form for transmission over a communication network;

the input-output device(s) being designed to accept registration/login information and gaming commands from a human patron and to present information to the human patron for interactive gaming; the one or more microprocessors being programmed to: present instructions to the human patron through the input-output device(s), including an instruction to the patron to insert an identification document into the identification acceptor; obtain a digital form of the patron's identification from the identification acceptor; obtain biological data describing a biological feature of the patron from the biological sensor; verify the identity of the patron and acceptability of the patron for gaming based at least in part on the digital form of the patron's identification and the biological data; and on verification, to offer gaming activities to the verified patron.

Ex. 2001, p. 127, claim 1.

As part of the Treaty's mission to "assist[] applicants in seeking patent protection internationally for their inventions" and "help[] patent Offices with their patent granting decisions," another Examiner at the U.S. Patent Office—separate from the Examiner of record handling prosecution of the '098 patent—conducted a prior art search and drafted a written opinion on the patentability of the claimed invention. Ex. 2004, p. 1; Ex. 2001, p. 146. This second Examiner identified the Bradford '333 and Parrott references in the search report and issued a written

opinion applying Bradford '333 and Parrott to the claims. Ex. 2001, pp. 145, 148.

In that written opinion, the second Examiner rejected the claims recited in the PCT application as being obvious over Bradford '333 in view of Parrott, expressly arguing that the claims “lack an inventive step under PCT Article 33(3) as being obvious over Bradford et al . . . in view of Parrott et al.” Ex. 2001, p. 148.

The PCT search report accompanying the written opinion provided more than mere citations of documents: each reference included a designation as to its relevance. Bradford '333 and Parrott were, for example, both identified as “Y” category references, indicating that their combination rendered the claims as lacking an inventive step. Ex. 2001, p. 145. The written opinion reads like a familiar Office communication by providing a detailed analysis for the rejection, which spans twelve pages, presenting pinpoint citations to each cited reference, and explaining the motivation to combine the references. Ex. 2001, pp. 148-159; *see Cultec, Inc.*, IPR2017-00777, Paper 7 at 10 (Examiner’s consideration of Third-Party Submission during prosecution presenting a “detailed identification of relevant portions” of the same reference cited in petition weighing in favor of denying petition).

Patent Owner submitted copies of that written opinion and the search report, as well as the references cited therein, in an IDS for the Examiner’s consideration during the early stages of prosecution. Ex. 2001, p. 91. Petitioners now present *the*

same arguments and *the same* references from the PCT search report and written opinion in their Petition. But Petitioners' grounds were *already considered* during prosecution, which is precisely what 35 U.S.C. § 325(d) seeks to exclude.

Moreover, the same Examiner handled prosecution of the related, co-pending application that issued as the '224 patent, for which the PCT application's prior art search and written opinion was also entered into the record. Ex. 2002, pp. 125-126. The Examiner thus considered the same references on at least two separate occasions.

Moreover, the IDS submitted for the Examiner's consideration was brief; it identified only *four patent documents* in addition to the PCT application, search report, and written opinion. Ex. 2001, p. 91. The Examiner also specifically cited Bradford '333 in the "Notice of References Cited" issued on January 14, 2015, while leaving out other references cited in the IDS by Patent Owner. *Compare* Ex. 2001, p. 91 *with id.*, p. 87. The Examiner's explicit inclusion of Bradford '333 in the Notice of References Cited further confirms that the disclosure of Bradford was substantively considered during prosecution.

An examiner is highly motivated to conduct a thorough review of any PCT search report and written opinion entered in the record. *See, e.g.*, M.P.E.P. § 609.03 ("The examiner will consider the documents cited in the international search report in a PCT national stage application."); M.P.E.P. § 1893.03(g) ("It is

desirable for the U.S. examiner to consider the documents cited in the international application when examining the U.S. national stage application.”). In fact, the entire PCT process is intended to assist patent offices with their “patent granting decisions” by simplifying examination and providing a search and opinion meeting specific standards. Ex. 2004, p. 1; Ex. 2008, pp. 7-8.

Here, the Examiner would have been particularly incentivized to thoroughly review the cited PCT search report and written opinion.

- *First*, the claims rejected in the written opinion were substantially similar to those pending during prosecution of the '098 patent.
- *Second*, the Bradford '333 and Parrott references were prior art to the pending claims based on their publication dates.
- *Third*, the request (in the form of applicant's IDS) came early in prosecution, before the Examiner issued any final determination. Ex. 2001, p. 91, 166.
- *Fourth*, the PCT search report and written opinion was substantive and applied obviousness rejections to each claim.
- *Fifth*, because the U.S. Patent Office was the “receiving Office,” the search and opinion was conducted by a colleague at the same institution, possessing similar training, and utilizing familiar search tools and methodologies. An examiner could trust the quality of the

references identified by the same office due to this familiarity. Indeed, an examiner who ignored potential prior art risked being overturned during a Patent Office quality review. Ex. 2005, p. 9 n.37.

- *Sixth*, because the same Examiner handled prosecution of the co-pending and related '224 patent, the Examiner gained efficiencies for two pending applications on his docket by reviewing the PCT search report and written opinion.
- *Seventh*, the Examiner was a “Primary” examiner with years of experience and likely understood the value of reviewing the references cited in the PCT search report and written opinion. Ex. 1002, p. 1; Ex. 2005, p. 9 (“Primary examiners are usually more senior examiners with at least five years of experience.”).

Despite all the evidence showing that the Examiner substantially reviewed the same prior art and arguments presented in the Petition, “Petitioner fails to present any argument distinguishing the Examiner’s prior consideration of [the disclosures of Bradford and Parrott] or to provide a compelling reason why [the Board] should readjudicate substantially the same prior art and arguments as those presented during prosecution and considered by the Examiner.” *Unified Patents Inc. v. Berman*, IPR2016-01571, Paper 10 at 12 (P.T.A.B. Dec. 14, 2016).

Accordingly, the third and fourth *Becton, Dickenson* factors weigh heavily in favor

of the Board exercising its discretion under 35 U.S.C. § 325(d) to deny intuition of the Petition.

C. Petitioners Do Not Allege the Patent Office Erred During Prosecution

Petitioners did not argue that the Examiner failed to consider the search report and written opinion during prosecution, instead maintaining that Bradford “was not considered during prosecution” and that Parrott “was not relied upon . . . in any rejection during prosecution.” Pet., 4-5. Petitioners do not even attempt to argue that “the Examiner erred in evaluating the prior art and concluding that the challenged claims [were allowable] Petitioner[s] simply recast[] the same information that was before and considered by the Examiner . . . rather than . . . showing how the Examiner erred in applying that information.” *Argentum Pharm. LLC v. Merck Patentgesellschaft*, IPR2018-00423, Paper 7 at 21-22 (P.T.A.B. July 23, 2018). Moreover, the Examiner was particularly qualified in this case: he was a “Primary” examiner possessing years of experience. Ex. 1002, p. 1; Ex. 2005, p. 9; Ex. 2006, pp. 1-2. Petitioners fail to explain why the Board should revisit prosecution by a qualified examiner who considered the patentability of the challenged claims over the same or substantially the same previously-considered references and arguments that Petitioners advance here.

Thus, the fifth *Becton, Dickenson* factor, (e) “whether Petitioner has pointed out sufficiently how the Examiner erred in its evaluation of the asserted prior art,”

also weighs in favor of the Board denying institution under Section 325(d). *See Fox Factory, Inc. v. SRAM, LLC*, IPR2016-01876, Paper 8 at 7 (P.T.A.B. Apr. 3, 2017) (declining to institute ground where “Petitioner raise[d] no allegation that the Examiner misapprehended or overlooked anything in [the reference]” despite inclusion of additional reference in ground that was never before the Examiner.).

III. Conclusion

Because the Patent Office previously considered the disclosures of Bradford and Parrott and Petitioners’ arguments, and Petitioners have failed to identify any error made by the Patent Office, the Board should deny Petitioners’ request to consider these arguments again under 35 U.S.C. § 325(d). Patent Owner respectfully requests that the Board decline to institute this proceeding.

Respectfully submitted,

Dated: March 4, 2019

By: /Joshua L. Goldberg/
Joshua L. Goldberg, Lead Counsel
Registration No. 59,369

CERTIFICATE OF COMPLIANCE

Pursuant to 37 C.F.R. § 42.24(b)(1), the undersigned hereby certifies that the foregoing Patent Owner's Preliminary Response contains 3,148 words, excluding a table of contents, a table of authorities, mandatory notices under 37 C.F.R. § 42.8, a certificate of service or word count, or appendix of exhibits or claim listing, as measured by the word-processing system used to prepare this paper.

Dated: March 4, 2019

By: /Joshua L. Goldberg/
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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing Patent Owner's Preliminary Response was served on March 4, 2019, via e-mail directed to counsel of record for the Petitioners at the following:

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