### **EXHIBIT 2001**



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## IIBIT 10



#### DECLARATION OF JOHN ACRES

I, John Acres, declare:

- 1. I have been retained as an expert by the law firm of Howard & Howard Attorneys PLLC on behalf of Plaintiff/Counterclaim-Defendant, Konami Gaming, Inc. ("Konami") in Case No. 14-CV-01485 against Defendant, Marks Studios LLC ("Marks Studios"). I am submitting this declaration in support of Konami's Opening Claim Construction Brief.
  - 2. I have a Bachelor of Science (Mathematics) from Ball State University, Indiana.
- 3. In 1981, I founded a company called Electronic Data Technology. I conceived, designed and oversaw the development of casino gaming promotions. I invented the computer player tracking system, which is similar to a player loyalty system. These products were sold to casinos throughout the world. This company was publicly traded and eventually purchased by International Gaming Technology.
- 4. In 1985, I was a co-founder of Mikohn, Inc. and vice-president of engineering. While with Mikohn, I designed an advanced progressive jackpot system for use in casino gaming, a design which is still used in casinos throughout the world. I oversaw the development of electronic circuitry, mechanical design and computer software required to implement gaming promotions. I was with Mikohn until 1989.
- 5. From 1990 until 2000, I was the Chairman of Acres Gaming Inc, a company which I started. During this time, I created marketing promotions to enhance the player appeal of casino gaming machines and designed the electronic hardware and computer software to implement these promotions. I also developed intellectual property to protect these promotions. While with Acres Gaming, I invented a number of bonusing concepts for player tracking. I also defined new protocols for enhanced communication with gaming machines. Customers at this



time included: Anchor Gaming, IGT, Bally, Aristocrat, Mandalay Bay (Las Vegas), Bellagio (Las Vegas), Crown Casino (Melbourne) and Star City (Sydney).

- 6. From 1997 to present I have been the CEO and founder of Talo Inc. provding consulting services in the fields of engineering and management. From 2007 to present, I have been CEO and found of Patent Investment & Licensing Company developing intellectual property and marketing concepts for casino gaming machines. Also, from 2009 to present, I have been CEO and found of Acres 4.0 Inc. developing intellectual property and marketing concepts for casino gaming machines.
- 7. I am named as the inventor of a number of inventions that are the subject of patents in the United States.
- 8. My professional interest in gambling is player motivation. That is, I specialize in studying player behaviors and creating games and marketing techniques that cause consumers to want to play more. While technology is changing rapidly, human nature really has not changed at all over my lifetime and probably not for thousands of years prior. I learn a great deal about human motivation and slot machine marketing by studying slot machine designs from the late 1890s to the present. I collect antique slot machines and have over a dozen gaming devices in my collection, ranging in date of creation from the early 1890s through the early 2000s.
- 9. I understand that the asserted patents include U.S. Patent Nos. 8,096,869 (the "'869 patent"), U.S. Patent No. 8,366,540 (the "'540 patent"), U.S. Patent No. 8,616,955 (the "'955 patent"), and U.S. Patent No. 8,622,810 (the "'810 patent") (collectively the "patents-insuit"). The '869 patent was filed December 9, 2005 and claimed priority to an Australian application filed February 14, 2005. The '540 Patent was filed as a continuation application from the '869 patent and was filed December 9, 2011. The '955 patent was filed as a

continuation application from the '540 patent and was filed November 26, 2012. The '810 patent was filed as a continuation application from the '540 patent and was filed November 26, 2012.

10. I have been asked to opine how one of ordinary skill would understand certain terms used and claimed in the patents-in-suit at the time of the invention, which is prior to February 14, 2005. The terms that I have reviewed include:

"Notional, non-visible inner reel" as used in claim 1 and 19 of the '869 patent, claims 7 and 23 of the '540 patent; and

"Virtual rotation" as used in claims 1 of the '869 patent and claim 23 of the '540 patent; and

"Virtually spinning" as used in claim 1 of the '869 patent and claim 7 of the '540 patent

#### Summary of the Patents-In-Suit

- 11. The patents-in-suits disclose and claim a new method of causing the game itself to randomly select a specific identical symbol for placement in a consecutive run of symbol positions on one or more reels and this selection and placement are repeated anew with each game played. '869 patent, C2:L6-14, claim 1, 19. The game controller determines the identical symbol to be displayed in each consecutive element of the run or runs of consecutive elements from a subset of available symbols. '869 patent, C2:L14-15, C4:L49-52. Further, each symbol in the subset of available symbols has a probability of being selected as the identical symbol. '869 patent, C2:L17-18, C5:L3-9.
- 12. The patents-in-suit, by displaying a consecutive run of identical symbols as the reels are spinning to the player, provides a heightened sense of interest and potential winning. '869 patent, C5:L11-17. In other words, the player is able to see the repeating, consecutive



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