

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

EVERI PAYMENTS INC.
Petitioner,

v.

SIGHTLINE PAYMENTS LLC
Patent Owner.

Case IPR2022-00696
U.S. Patent No. 8,998,708

**DECLARATION OF DWIGHT CREVELT
IN SUPPORT OF PETITION FOR *INTER PARTES* REVIEW
OF U.S. PATENT NO. 8,998,708**

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I, Dwight Crevelt, hereby declare as follows:

I. INTRODUCTION

1. I am over the age of 18 and am competent to submit this declaration. The statements and opinions herein are based on my personal knowledge and upon my background, education, research, training, and experience relating to the subject matter discussed.

2. I have been retained by Dickinson Wright PLLC on behalf Petitioner Everi Payments Inc. (“Everi”) in this matter to offer technical opinions relating to U.S. Patent No. 8,998,708 (“the 708 Patent”) and to submit this declaration in connection with the *Inter Partes* Review of Claims 1, 2, 6, 8-12, and 15-20 of the ’708 Patent. If called upon to do so, I am prepared to testify as an expert witness in this regard.

II. BACKGROUND AND QUALIFICATIONS

3. I am an expert in the field of design and operation of gaming machines and systems for the casino industry, including cashless wagering systems.

4. I am the founder and presently president of Crevelt Computer System, Inc., a gaming business consulting and engineering development company that is located and incorporated in Las Vegas, Nevada. I founded Crevelt Computer in 1977. Although I discuss my expert qualifications in more detail below, I also attach as **Appendix A** a recent and complete curriculum vitae, which details my educational and professional background.

5. My formal, post-high school education started at the University of Las Vegas in 1973. I continued my education at the U.S. Naval Academy from 1975 to 1977. While at the Navy, I was a systems engineering major. I then attended Iowa State University, where I received my Bachelor of Science degree in Computer Engineering in 1979.

6. In 1977, I started developing my own slot machine system. This involved disassembling existing systems, re-engineering components, creating new software, and creating new code for new games. It also involved creating drives for stepper motors, lights, controls and switches on the gaming. When I left the Navy and joined Iowa State University, I brought this slot machine system with me. As I was continued developing it, my slot machine system was displayed at VEISHEA at Iowa State, which is an annual week-long celebration showcasing the university, its collages, student accomplishments and the engineering college, that puts new inventions and designs out for display.

7. My professional experience in the casino gaming industry started in 1974, when I joined Gamex Industries as a software engineer. As a software engineer, I designed and developed casino game management systems, including an on-line slot accounting and monitoring system, and I also maintained Gamex's on-line casino table game accounting system. I was also responsible for maintaining

the system that monitored the play of table games and slot machines as installed in Caesar's Palace, Las Vegas.

8. In 1977, I started my own consulting company, Crevelt Computer System, Inc., and near the end of 1977 I worked at United Audio Visual as a software engineer developing audio/video controllers for multimedia shows.

9. From 1979 to 1980, I continued to work in the gaming industry as a computer engineer for Sircoma (later becoming International Game Technologies, or IGT). At Sircoma, I developed various gaming machines, including video Poker, video Blackjack, video Red Dog and Whirlwin. I also had responsibility for developing and maintaining the software for these video slot machines. I also acted as a technical gaming control liaison, which involved providing the Nevada Gaming Control Board staff with technical information regarding the company's gaming devices. The Nevada Gaming Control Board regulates the gaming industry in Nevada, overseeing the licensing and compliance of casinos as well as manufacturers and the equipment used in gaming.

10. In 1981, I worked for Mills-Jennings as a Director of Corporate Research. In this role, I assembled and supervised a research and development team that designed a complete line of video casino gaming machines, such as video poker machines, video slot machines, and the like. My research and development team also designed an on-line casino accounting system suited for the casino floor.

11. From 1984 to 1986, as a consultant with Crevelt Computer System Inc., I worked with Electronic Data Technologies, where I designed and developed the first complete on-line player tracking/loyalty system, known as the Action System. I designed hardware, software, and performed the first systems analysis of player tracking/loyalty system. This included the necessary hardware and software to monitor the gaming machines and communicate this data to the slot monitoring system. The slot monitoring system included a network of PC computers and software applications utilizing the client/server architecture

12. From 1988 to 1996, I worked for Electronic Data Technologies (EDT) and International Game Technologies (IGT). I was responsible for design, development and implementation of player tracking/loyalty and accounting systems for casino games, which included providing communications with the casino's other computer systems including the casino management systems. Specifically, I managed the department and oversaw the design and development of the hardware, software, and systems integration. I also managed the deployment and support for over 150 installations of the SMART system (also referred to by the customers as the EDT System, or the Action System) and a "smart card"-based system for cashless gaming and player tracking/loyalty.

13. During that time, I was also responsible for the development and deployment of the first cashless system utilized by Caesar's Palace, Las Vegas. I

worked directly with the Director of IT at Caesar's to integrate our system into their existing casino systems. Caesar's system was already configured to communicate with financial institutions through its ATM systems within the casino. We worked to integrate our cashless system into Caesar's ATM system to allow the electronic transfer of funds from a patron's financial accounts to the casino's systems. We also integrated a PIN pad that supported the DES-encryption standard as required by the financial institutions at the time.

14. In 1995, I was promoted to Product Manager for Cashless Applications. In this role, I prepared business plans and strategies for implementing cashless gaming products, including IGT's first smart-card based cashless gaming system installed at the Monte Carlo Casino in Monaco. I also spent time evaluating casino-related intellectual property, particularly patents, especially those pertaining to cashless gaming and progressive systems.

15. At the end of 1996, I left IGT and continued as a consultant with Crevelt Computer Systems, where I have since worked with many gaming equipment manufacturers on the design and development of casino gaming devices, including slots, video games, Keno and Bingo systems. I also have provided independent laboratory analysis of games for regulators in New South Wales, Australia and the state of Mississippi. Additionally, I have conducted mathematical analyses for casino gaming devices.

16. From 1998-2013, Crevelt Computer System was a Partner in FootTraffic Promotional Gaming LLC. As a Partner with FootTraffic Promotional Gaming LLC, I designed, developed, managed and marketed a series of promotional games for casinos, retailers and trade shows. These are free-play games that are designed to bring or attract patrons to the casino with an opportunity to win cash and prizes, including integration with player tracking/loyalty systems. These games have been very successful and several have been incorporated into permanent promotions at several casinos, including Peppermill Casino (Reno), Casino Fandango (Carson City), and Silver Legacy (Reno).

17. I am the co-author of two books that relate to the casino gaming industry – Slot Machine Mania (1988) and Video Poker Mania!! (1991). Both of these books were still in publication more than 20 years after they were first published.

18. I have been interviewed for numerous magazines, radio programs and television shows regarding gaming machines and the casino industry, including appearances on Secrets Revealed (a documentary on The Learning Channel, TLC) and High Rollers (a documentary on the Discovery Channel).

19. Throughout my career, I have kept up to date with the latest developments in the casino industry by subscribing to casino-related trade

publications, attending casino gaming shows to review competitors' products, and reviewing competitors' and industry patents.

20. I am an inventor on six United States Patents, all of which are related to the casino industry, namely wagering systems, player tracking, and electronic fund transfers (EFT) systems within the gaming environment. One of these patents (U.S. Patent No. 5,902,983, Exhibit E1023) – which I refer to in more detail below – is specifically directed to a gaming system which allows a player to transfer funds from a remote funds repository (e.g., a bank) via an electronic funds transfer system and convert transferred funds to plays on said gaming machine.

21. I have been retained as an expert in various litigation and *Inter Partes* Review (“IPR”) matters regarding the hardware and software design and development of gaming machines and gaming systems, including player tracking systems, cashless systems, progressive systems and promotional systems. A list of cases I have been retained as an expert for is provided as **Appendix B**.

22. I have also served as a consultant in various legal matters, as summarized in the same Appendix.

III. INFORMATION RELIED UPON

23. In addition to my general knowledge from education and experience in this field, I have reviewed and considered, among other things: the '708 Patent, the prosecution history of the '708 Patent, the prior art of record, and the prior art

described in this Declaration. I have also researched and reviewed other prior art references that are relevant to the '708 Patent.

IV. SCOPE OF ASSIGNMENT AND MATERIALS REVIEWED

24. I have been retained as an expert on behalf of Everi to provide information and opinions to the Patent Trial and Appeal Board (“the Board”) to assist in its analysis of the patentability of the '708 Patent in the above-captioned *Inter Partes* Review.

25. I am being compensated at the rate of \$400 an hour. My compensation does not depend on the substance of my opinions nor on the outcome of this proceeding.

26. In formulating my opinions herein, I have relied upon my training, knowledge, and experience that are relevant to the '708 Patent. Furthermore, I have specifically considered the following documents listed below in addition to any other documents cited in this declaration. I understand that the references are true and accurate copies of what they appear to be:

Exhibit No.	Description
E1001	Declaration of Dwight Crevelt
E1002	U.S. Patent No. 8,998,708
E1003	File History of U.S. Patent No. 8,998,708
E1004	U.S. Provisional Patent Application No. 61/744,564
E1005	U.S. Patent Application Publication No. 2013/0073447 (“Smith”)

E1006	U.S. Patent Application Publication No. 2008/0113776 (“Sommer”)
E1007	Computerizing Chance: The Digitization of the Slot Machine (1960-1985)
E1008	Casino Technology: Player Tracking and Slot Accounting systems
E1009	U.S. Patent No. 5,179,517
E1010	U.S. Patent No. 6,852,031
E1011	U.S. Patent No. 5,326,104
E1012	U.S. Patent No. 5,855,515
E1013	U.S. Patent No. 6,547,131
E1014	U.S. Patent No. 5,655,961
E1015	Best of the Millennium Magazine
E1016	Global Gaming Business Magazine
E1017	U.S. Patent No. 5,371,345
E1018	U.S. Patent No. 5,470,079
E1019	U.S. Patent No. 5,265,874
E1020	U.S. Patent No. 6,607,441
E1021	U.S. Patent No. 5,038,022
E1022	U.S. Patent No. 5,811,772
E1023	U.S. Patent No. 5,902,983
E1024	Casino Loyalty Programs within the Las Vegas Locals’ Market, Charles Andrew Baynes, Spring 2011
E1025	IGT’s SAS Protocol
E1026	Casinos try again with ‘coinless’ slots, Las Vegas Sun article, March 10, 2000
E1027	Description of Demand Deposit Account, Investopedia.com
E1028	U.S. Patent No. 8,708,809
E1029	File History of U.S. Patent No. 8,708,809
E1030	Petitioner’s proposed claim constructions
E1031	Patent Owner’s proposed claim constructions

V. LEGAL STANDARDS AND UNDERSTANDINGS APPLIED

27. In connection with the opinions that I am offering herein, I am relying upon the legal standards and understandings that Petitioner's attorneys have provided and/or explained to me, which I summarize below.

28. I understand that in an IPR proceeding, the Petitioner has the burden to prove that the challenged claims are unpatentable by a preponderance of the evidence. I understand that a "preponderance of the evidence" means that a fact is more likely than not to be true.

29. I understand that the first step in analyzing the patentability of a claim over the prior art is to determine the claim's meaning and scope from the perspective of a person having ordinary skill in the art ("POSA"), *i.e.* what I understand is called claim construction. Next, I understand that the claim as construed is compared to the prior art, as described in more detail below.

30. I understand that each claim must be analyzed from the perspective of a POSA at the time of invention. Petitioner's counsel has asked me to consider the state of the art from the perspective of a POSA during the time period shortly before September 28, 2012, which is the earliest claimed priority date listed on the face of the '708 Patent.

31. I understand that several factors should be considered in determining the ordinary level of skill in the art including (1) the types of problems encountered

in the art; (2) the prior art solutions to those problems; (3) the rapidity with which innovations are made; (4) the sophistication of the technology; and (5) the educational level of active workers in the field of the patent.

32. I have been informed by Petitioner’s counsel that in this proceeding, the Board interprets the claims of a patent in an IPR under the same standards used in a United States District Court. I understand that this standard requires interpreting the claims through the lens of a POSA in view of the entire patent and the prosecution history. I understand that, unless an express claim construction is adopted by the Board for any term, the terms of the claims should be given their plain and ordinary meaning to a POSA at the time of the invention, in the light of the specification and prosecution history. Accordingly, in formulating my opinions, I have reviewed the claims of the ’708 Patent as I perceive a POSA would have understood them at the time of the earliest claimed priority date (September 28, 2012) of the ’708 Patent, after reading the entire ’708 Patent specification and the prosecution history.

33. I understand that, for a patent to be “anticipated” by the prior art, every limitation of the claim must be found expressly, implicitly or inherently, to be disclosed and arranged as required by the claim, in a single prior art reference which describes the claimed invention in sufficient detail to enable a person of ordinary skill in the art to carry out the claimed invention. I understand that if one limitation

of a claim is missing from that prior art, then the claim is not anticipated by the prior art.

34. I understand that a limitation of a claim may be expressly disclosed in the prior art even if the prior art does not use identical terminology. Rather, I understand that the focus is whether the substance of the limitation is disclosed. I understand that a limitation that is not expressly disclosed may be considered to be implicitly disclosed based on the inferences that a POSA would be expected to draw from the express disclosures based on the POSA's knowledge and experience. Moreover, I understand that where an item is not expressly or implicitly disclosed in an item of prior art, the prior art may be considered to disclose that limitation inherently if the limitation would be necessarily present in the prior art, such as when a characteristic necessarily flows from the teachings of the applied prior art.

35. I understand that even if a claimed invention is not anticipated, the claimed invention is still unpatentable as obvious if 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 POSA.

36. I understand that there must have existed an apparent reason, as of the effective filing date, for a POSA to have combined the prior art references in the

manner claimed. I understand that reasons that can support conclusion of obviousness include:

- Combining prior art elements according to known methods to yield predictable results;
- Simple substitution of one known element for another to obtain predictable results;
- Use of known technique to improve similar devices (methods, or products) in the same way;
- Applying a known technique to a known device (method, or product) ready for improvement to yield predictable results;
- “Obvious to try” – choosing from a finite number of identified, predictable solutions, with a reasonable expectation of success;
- Known work in one field of endeavor may prompt variations of it for use in either the same field or a different one based on design incentives or other market forces if the variations are predictable to one of ordinary skill in the art;
- Some teaching, suggestion, or motivation in the prior art that would have led one of ordinary skill to modify the prior art reference or to combine prior art reference teachings to arrive at the claimed invention.

VI. LEVEL OF ORDINARY SKILL IN THE ART

37. Based on my experience, and applying my above-explained understanding of the relevant legal principles, it is my opinion that a POSA of the '708 Patent, at the time of its claimed earliest filing date of September 28, 2012, would have at least a Bachelor's degree in Computer Engineering or Computer Science, or an equivalent degree, with at least two years of experience in casino or gaming transaction facilitation, or related technologies.

VII. CLAIM CONSTRUCTION

38. Based on my experience, and applying my above-explained understanding of the relevant legal principles, it is my opinion that no express construction of any claim term of the '708 Patent is needed to resolve any of the issues of patentability I opine about here. Except as otherwise noted below, I have applied the plain and ordinary meaning of the terms of the patent to a POSA as of the purported earliest filing date (September 28, 2012) in light of the specification and the prosecution history.

39. I understand that claim construction is ultimately a question of law, and that the Board may choose to provide a construction of certain terms should any dispute arise between the parties over how a term should be construed. I reserve the right to review and potentially modify any of my opinions discussed below in view of any such claim construction which is adopted by the Board or any other tribunal.

VIII. BACKGROUND OF THE TECHNOLOGY

1. Player Tracking, Loyalty, and Slot Accounting Systems

40. Gaming machines were first connected online to a central computer system in January 1975, when Gamex Industries revealed its online Slot Accounting and Security System at the London AMOA show. (The system was later installed in Caesars Palace Las Vegas, which I was personally responsible for.) Gamex's Slot Accounting and Security System communication network was modeled after Gamex's Table Game Accounting System that was at the time operational in the

Caribe Hilton in San Juan Puerto Rico. In this system, each gaming machine had a unique address and was polled by the central computer system using a series of multiplexers throughout the casino. The gaming machine would return a serial data stream of accounting and security data.

41. In response to Gamex's development, Bally Manufacturing developed its first Slot Data System (SDS) and installed it in the Las Vegas Hilton in the late 1970's. (Exhibit E1007.)

42. This system had a central computer system monitoring individual signals from the gaming machines on the casino floor. Once information from any device on the system was inputted into the database, it was then immediately accessible to anyone working on the floor or sitting in front of a computer connected to the central computer system. (Exhibit E1008.)

43. In the early 1980's, I personally worked on designing and developing online slot accounting and security systems for various companies, including Mills-Jennings, a company that had contracts to develop systems for Steve Wynn/Golden Nugget and Harrah's Casino. The system I worked on for the Golden Nugget was designed to provide a complete accounting system that would eliminate the need to count the coins collected from the gaming machines. The Harrah's contract was to complete development on their in-house developed slot machine and to provide an online slot accounting system to go along with them. Both of these casinos

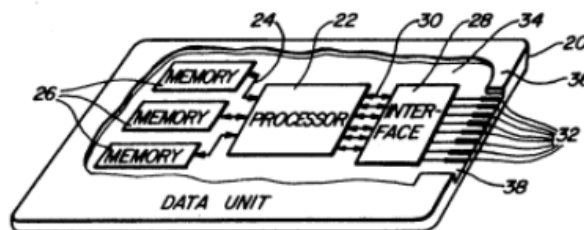
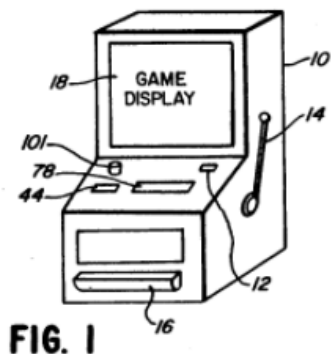
ultimately canceled development of these projects in light of economic conditions. Additionally, similar systems had limited success in the market because they did not directly produce revenue for the casino and the revenue savings provided by those systems – primarily resulting from minimizing or eliminating accounting and security losses – were not seen to be sufficient to justify the cost of the systems.

44. In 1984, Electronic Data Technologies (EDT), a subsidiary of IGT, developed and installed the first casino-wide online player tracking and slot accounting system. The casino patrons could identify themselves to the casino so that the casino could track the player's wagering and other activities. The goal of this system was to track its customers to get to know them more on a personal basis. But, not all casinos were immediately receptive to this concept. (Exhibit E1008.)

45. By 1996, that EDT system – which was originally called the EDT Action System and was later renamed the SMART System – was installed in over 150 locations worldwide. This represented a larger installation base than that of all competing systems combined. The EDT system became the model for most subsequent systems, including those from Bally, Casino Data Systems (CDS) and Grips.

46. In the meantime, several others attempts were made at electronic player tracking systems. For example, Bally developed a “smart” player tracking card, which is described in their U.S. Patent No. 5,179,517, filed in 1988 by Sarbin

(“Sarbin”) (Exhibit E1009). Sarbin provides a “portable data transfer unit 20” (*i.e.*, a player tracking card or “smart card”) which can facilitate player tracking and cashless gaming:



47. Sarbin’s smart card is a device generally in the size and shape of a standard credit card, and encapsulates solid-state memory, circuitry for allowing the memory to be read from or written to, and circuitry for performing various programmable functions. One of these functions is player tracking. Sarbin teaches that as the player operates the machine, data representing game play is transmitted by the interface unit to the memory 90 of the card 20. The stored data can include volume of play attributable to the player, such as number of games won, amount of money won, length of time played, payouts, length of time played without a win, and he like. Then, as summarized by Sarbin below, the player can hand the card to a casino attendant who can determine what promotions are eligible based on the player’s stored data:

The use of the card or data transfer unit 20 enhances the data gathering ability of the gaming machine data transfer system when the player redeems the card 20. Typically the player will hand the card 20 to a casino employee who will insert the card 20 into the system interface 84 of the central data system of FIG. 4. Upon receiving and verifying the data from card 20 the central data processor 82 can, either automatically or at the request of an employee operating the terminal 86, clear selected portions of memory 90, thus preparing the card 20 for future data collection. The system of FIG. 4 can also display on display 88 or print out reports on information and calculations based on the data thus collected. At this point the player, based on the data displayed, can receive payment or credit derived from the information on the card 20. In particular, the player's individual account status is printed out or displayed on display 88 so that the casino employee can determine what prizes, premiums or awards that the player may be entitled to. (E1009, 7:27-47.)

48. Sarbin even teaches that the card 20 can be used like a “prepaid debit card” where fund information is loaded onto the card, allowing the player to play with those funds directly from the card. (E1009, Abstract; 5:60-6:4.)

49. Systems such as Sarbin are smart-card focused, where the card itself contains the processing and memory to store things like the balance in the player’s account. But other systems that were eventually favored by the masses included centralized player tracking systems, such as the EDT system I explained above, in

which centralized computers and servers tracked the player's play in the casino based on the use of the card (rather than the information being stored on the card itself). Player tracking systems – such as the EDT system – are designed to award bonuses to players for their play.

50. As was true in the 1990s and is still the case today, a player could enroll in a Player's Club at a casino-run booth. Upon enrolling, the player typically would receive a player identification card. Then, whenever the player inserted his or her card into a card reader attached to the gaming machine, the player would be greeted with a message and an updated player account balance reflecting the bonus points in the player's account, i.e., information regarding their loyalty account. During gaming machine play, the player might receive 'y' bonus points for every 'x' coins played. These bonus points were tracked by the system, and the player could redeem them for merchandise, cash, comps (complementary meals, room, shows, etc.) or other items the casino desires to make available. This is commonly known as a loyalty program.

51. U.S. Patent No. 6,852,031 (Exhibit E1010) summarizes these types of server-focused systems. For example:

As technology in the gaming industry progresses, more and more gaming services are being provided to gaming machines using a client-server model. In a client-server model, groups of gaming machines are

linked via a dedicated communication network of some type to a remote computer that provides one or more gaming services using the dedicated communication network. These gaming services provided by the remote computer over the dedicated communication network may be referred to as “network gaming services.” As an example, network gaming services that may be provided by a remote computer to a gaming machine via a dedicated communication network of some type include player tracking, accounting, cashless award ticketing, lottery games, progressive games and bonus games.

Typically, network gaming services enhance the game playing capabilities of the gaming machine or provide some operational advantage in regards to maintaining the gaming machine. Thus, network gaming services provided to groups of gaming machines linked over a dedicated communication network of some type have become very popular in the gaming industry. (1:38-58.)

52. As has been the case since at least the 1996 EDT system, the basic flow of information from a player tracking unit in a gaming machine to a player tracking system is as follows: Upon insertion of the player identification card into the card reader of a player tracking unit installed in a gaming machine, a message is sent to the host system to retrieve the player’s account information. The account

information is looked up in the system's database using the account number from the card. The player's account balance, name, and any other necessary data is then sent back from the host computer/server to the player tracking unit in the gaming machine. While the player's card remains linked to the gaming machine, all of the player's play activity is tracked by the system. While the player is playing, periodic play activity messages are sent to the host to update real-time displays and to provide a backup in case of equipment failures. When the player removes his card or otherwise de-links his or her profile from the gaming machine, the player's play activity information is sent to the host, where the system updates the player's account balance.

53. I discuss these player tracking systems in my U.S. Patents, for example, U.S. Patent Nos. 5,326,104 (Exhibit E1011), 5,855,515 (Exhibit E1012), and 6,547,131 (Exhibit E1013). I also discuss these player tracking systems in my books Slot Machine Mania and Video Poker Mania.

54. Regarding loyalty benefits in particular, gaming companies have tied bonuses, comps, slot credits, and free play offers to a player's gaming account for decades, and well before 2012. (Exhibit E1024.)

55. Similar player tracking and loyalty programs are widely in use today. They use host workstations to perform various functions, such as:

- Club Functions – functions include player enrollment, account establishment, card issue, bonus point redemption, and account adjustments
- Marketing – functions include bonus and comp table setup, promotion tracking, player activity reports, mailings, player group setup and tracking, temporary card setup, Hot Player Monitor, and Active Player Monitor
- Slot Accounting – functions include gaming machine address setup, gaming machine performance reports, coin scale interface, bill counter interface, and drop reconciliation
- Jackpot /Fills – functions include process requests for hand pay jackpots and hopper fills
- Maintenance – functions include maintenance monitoring and repair tracking
- Security – functions include security monitoring for slot machine and drop doors and jackpots

56. U.S. Patent No. 5,655,961 (Exhibit E1014) (which was later assigned to IGT) summarizes the state of the art of player tracking in the 90s that I've described above. This patent is directed to a system for monitoring and configuring gaming devices interconnected over a high-speed network. Each gaming device

includes an electronic module which allows the gaming device to communicate with a floor controller. The electronic module includes a player tracking module, which includes a card reader for detecting a player tracking card inserted therein which identifies the player. (Abstract.) This patent explains prior art tracking systems up until 1994:

Player tracking, as the name indicates, involves tracking individual player usage of gaming devices. In prior art player tracking systems, the player is issued a player identification card which has encoded thereon a player identification number that uniquely identifies the player. The individual gaming devices are fitted with a card reader, into which the player inserts a player tracking card prior to playing the associated gaming device. The card reader reads the player identification number off the card and informs a central computer connected thereto of the player's subsequent gaming activity. By tracking the individual players, individual player usage can be monitored by associating certain of the audit data with the player identification numbers. This allows gaming establishments to target individual players with direct marketing techniques according to the individual's usage. (E1014, 1:27-43.)

57. Exhibit E1015 shows typical electronic casino gaming systems and gaming machines that people could find on the casino floor in the late 1990s.

58. Exhibit E1016 shows various articles and advertisements regarding casino gaming systems, gaming machines, and the overall casino business in the early 2000s.

2. Bonusing, Promotions, and Cashless Gaming

59. By 1989 and 1990, most major casinos had some form of player tracking system. Every system provider and casino was looking for ways to differentiate itself from the competition. Automating existing promotions provided one way to do so, and some casinos (e.g., Sands Atlantic City, Hilton Hotels Nevada, MGM Las Vegas, Harrah's Entertainment) developed their own system for this purpose. Among the promotions known at that time were bus promotions, double jackpot time, double bonus point time, cash back, and cashless gaming. "One casino even modified its system to give players of regular slot machines extra payouts if they are using their club card." (Video Poker Mania, p122).

60. Early promotional systems involved Bus Promotions, which were a long part of Nevada and Atlantic City casino marketing campaigns. In such a promotion, a group of people would travel by bus to the casino, and upon exiting the bus, each player would be given a roll of quarters and a coupon for a free buffet at the casino, for example. The goal of the promotion was to encourage the players to

wager the coins provided on the gaming machines on the casino's floor, and the casino hoped that the players would ultimately wager some of their own money as well. However, there was no way to ensure that the patrons acted accordingly, and many just kept the money and ate the free meal. The automated player tracking systems described above allowed the casino to give these patrons a player identification card to use when playing the machines. This allowed the casino to track the activity of the players in the group, in order to determine who should be invited back.

61. The promotional systems then evolved such that money could be put onto the player tracking card and electronically loaded directly onto the gaming machine, rather than giving the player cash. EDT's Instant Keno was the first truly online cashless gaming system. The system was installed in the 4 Queens Hotel in Las Vegas NV during 1990. This system allowed a player to deposit cash on a player's account and then play the Instant Keno game machines using these funds with the provided ID card associated with the player's account. Winnings were credited to the central account.

62. I describe this type of system in one of my patents – U.S. Patent No. 5,326,104. (Exhibit E1011.)

63. These systems evolved into what is now referred to as “cashless gaming.” Cashless gaming systems permit players to transfer credits between a

gaming machine and their “player account” account on a host computer system so that the player could play gaming machines in a casino without carrying currency and coins from game to game. The player can establish an account at the casino, hold funds in that account, and access the funds in that account with his or her player tracking card. The player can play a casino game by swiping his or her card at the gaming device, and cause an amount of the funds to be transferred from the player account onto the gaming device.

64. But cashless gaming systems were a challenge to implement in the early 1990s. One problem was due to the variety of different meters involved. More specifically, the systems maintained one set of accounting meters, while each gaming machine contained its own sets of mechanical meters and internal electronic meters. These meters had to be physically read, recorded, and reconciled for accounting purposes. The development and use of a serial number chip in the gaming machine harness allowed data from the various meters to be read and sent to the host along with the gaming machine accounting data. Once the unique serial number for each gaming machine was added to the system database, the system could track if a particular gaming machine was moved and associate and reconcile the accounting data related to that machine. This greatly simplified the process and eliminated the problems discussed above related to multiple meters.

65. In response to these needs, gaming machine manufacturers started producing machines with serial communication ports in the early 1990s. However, each manufacturer had its own protocol. For example, Bally developed its proprietary Complex Serial and Simple Serial protocols to be used in Bally games. These protocols allowed the system to read the electronic meters directly from the gaming machine and use them for accounting, thereby eliminating the reconciliation process. Eventually, the commands necessary to transfer credits on and off the gaming machines – commands that were necessary for cashless gaming features – were included in these protocols. U.S. Patent Nos. 5,371,345 (E1017) and 5,470,079 (E1018) filed by Bally are examples that describe these types of systems. CDS and WMS Gaming also developed similar proprietary protocols to be used in their own games.

66. In approximately 1993, the Sands Casino in Atlantic City developed its own player tracking system that included a feature called Action Cash. The Sands Action Cash system allowed a patron to put money on his/her account in the system and then transfer the funds from the account to the gaming machine for play. After playing a gaming machine, the player could transfer any funds left on the credit meter, along with any winnings from game play, back to his/her player account. The player could also cash these “player owned” funds out of the gaming machine’s coin hopper if the hopper had the necessary capacity for the disbursement. Further still,

the system included “Action Cash” — promotional funds from the casino that the casino could deposit into the players account. These promotional funds were “non-cashable,” because they could be transferred to and from the gaming machine using the system, but they could not be cashed out at the machine. Since these non-cashable promotional funds had to be wagered on the gaming machines, this system provided a solution to the well-known bus promotion problem described above (in which casino guests would take the rolls of quarters given to them by the casino but would not wager that money on the casino’s gaming machines). In addition, this system provided casinos with opportunities to craft new promotions with the assurance that the promotional credits given to players would be wagered on that casino’s machines.

67. When the MGM casino opened in Las Vegas in 1993, it used a player tracking system developed in-house. Its casino floor also included approximately 400 coinless gaming machines. These gaming machines had no coin handling capabilities whatsoever. Instead, they relied upon bill acceptors to put money on the machine and printed bar coded tickets to cash out any credits left on the machine. These tickets could be taken to a cashier to be redeemed for cash, or they could be inserted into another gaming machine to play. Because this cashless system was ahead of its time, it was never really accepted by players, and the gaming machines were later converted back to regular coin play. (See Exhibit E1026.)

68. IGT also developed its proprietary Slot Accounting System (SAS) protocol to be used in IGT games. Exhibit E1025 explains the various versions of the SAS protocol over time. I personally helped develop Version 2 of the SAS protocol (referred to in this document as “SAS 2 protocol”) in the early 1990s. And I was personally involved in implementing Version 3 of the SAS protocol into the Caesar’s Palace Casino in Las Vegas in 1994, whereupon cashless gaming was made available.

69. In 1994, Caesars Palace Las Vegas and IGT jointly developed and installed an online cashless system called “Request.” I was personally involved in developing this system. Namely, my roles and responsibilities included directly working with Lyle Bell, the director of the Caesars Palace IT department to design the overall system architecture, communication protocols, and software required. Lyle Bell and his staff implemented the items necessary on his Casino System, and I and my staff at IGT implemented the items necessary on the EDT system. The Request system allowed a player to open an account at the cage, where he would receive an ATM-style card (dubbed a “Request card”) that would allow the player to access his or her player account directly at the gaming machine. The player could go to a gaming machine and transfer funds from his or her account to the gaming machine by using the Request card. Once the funds were transferred to the gaming machine, the player could then wager those funds and play. Upon completion of

play, the player could then transfer the credits on the gaming machine back to his or her player account, whereupon they could be wagered at another machine via the Request card. The Request system therefore enabled players to move between gaming machines without having to worry about exchanging tokens.

70. IGT filed for several patents in the early 1990s regarding this technology. But one patent in particular adequately describes some features of the Request system we implemented in Caesars Palace. U.S. Patent No. 5,265,874 (Exhibit E1019) was filed by Peter Dickinson at IGT. That patent describes the ability to load a player's casino account with funds, and provide the player with an ID card that can be used at the gaming devices as a substitute for carrying around cash. The player can then move from gaming machine to gaming machine by simply swiping his or her card. Then, when the player is done playing completely, the player can present his or her ID card to a validation terminal, whereupon the player can be given a cash amount representing the balance that was left on the player's ID card. (Abstract.) As explained by this patent:

The apparatus and method of the present invention operate in such a way that, instead of a player playing with change, coin, chips or other credit items, the player hands over a certain amount of money to a clerk at a validation terminal. The clerk also takes an ID card from the player and stores the number of the ID card and the cash amount handed over

by the player in the memory of the validation terminal. Then the clerk returns the ID card to the player for his use in operating any one of a number of game terminals.

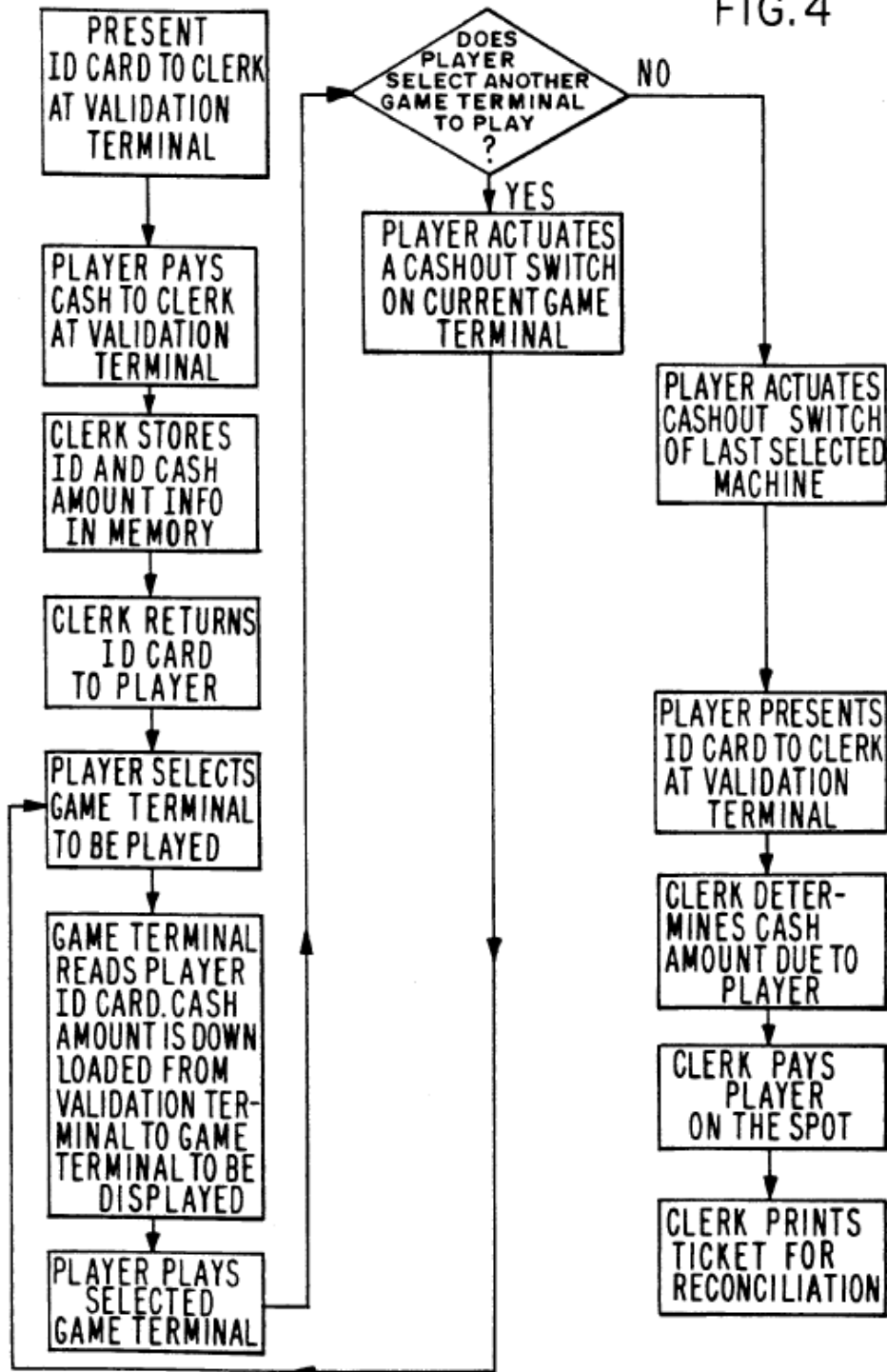
The player then takes the ID card to any game terminal in the casino or gaming establishment. The player's ID card is read by the game terminal card reader of a selected game terminal, whereupon the cash amount at the validation terminal is downloaded and displayed to the player on the selected game terminal. Operation of that game terminal by the player can then begin. The player continues to play the selected game terminal as long as desired or as long as a cash amount remains on the game terminal.

If the player wishes to play a different game terminal, the player actuates a cashout switch on the game terminal currently being played. The game terminal uploads the cash amount balance to the validation terminal. The player then moves to a different game terminal. The player's ID card is read by the new game terminal, whereupon the cash amount balance at the validation terminal is downloaded and displayed to the player on the new game terminal. The player can then play the new game terminal.

Finally, when the player wishes to stop play of the game terminal completely, the player again pushes the cashout switch. The game terminal then uploads the cash amount balance to the validation terminal. The player then takes his ID card to the validation terminal and the clerk at the validation terminal reads the card to obtain the ID information and the cash amount balance therefrom. A ticket showing the ID card number and the cash amount is printed on the validation terminal printer and the player is paid the cash amount on the spot. The printed ticket is then used for reconciliation.

The primary object of the present invention is to provide an improved apparatus and method for playing a game without a need for cash in the form of coin, chips and other credit items, wherein the apparatus and method require only an ID card and a payment of cash to a validation clerk at a central location to allow the holders of the card to play any one of a number of game terminals at any time so long as a positive balance is maintained in the cash amount of the player to thereby avoid the need for coins, chips, change or other credit items which must be fed in series into a game terminal to operate the same. (E1019, 1:67-2:55; Figure 4 below.)

FIG. 4



71. Later, in 1998, John Acers (founder of EDT, which I have described above) filed for a patent application which ultimately resulted in U.S. Patent No.

6,607,441 (Exhibit E1020). Acers is well-known in the gaming industry, and he eventually sold his company to IGT. In this patent, Acers adequately summarizes cashless systems generally known at that time (1998):

There are several prior art systems implementing cashless gaming on electronic gaming devices, such as slot machines, that are connected to a host computer via a network. Such systems typically require a player to open a cashless-gaming account with the casino prior to playing. The player must appear before a casino cashier who creates a player record on the host computer, receives an initial deposit from the player, and enters the deposit as a credit in the player account. The cashier also issues a cashless-wagering card to the player, who is now ready to begin cashless gaming.

The player selects a slot machine on the casino floor and inserts his or her card into a card reader associated with the slot machine. Each of the other slot machines also include associated card readers. Most prior art systems incorporate a security feature, such as a personal identification number (PIN), that must be satisfied before the system permits the player to draw on the credit in the account. In these prior art systems, the player enters his or her PIN on a keypad associated with the slot machine and card reader after insertion of the card. When the security

feature is satisfied, the amount in the player's account appears on the display associated with the slot machine. The player may then draw on the account by initiating commands at the slot machine that transfer credits from the account to the slot machine. As the player transfers money from the account to the slot machine, the credit in the account decreases. If the player should be the recipient of a jackpot or other award at the slot machine, the conventional credit meter on the slot machine increments to add the jackpot or award to the balance on the credit meter.

When the player concludes playing, the balance is transferred from the credit meter to the player's cashless-wagering account responsive to a command initiated by the player. The player then withdraws his or her card and leaves the balance in the account for placing wagers on one of the slot machines at a future time, which may be a few hours, a few days, or longer. (Exhibit E1020, 1:15-52.)

3. Transferring Funds Between the Player's Financial Account, the Player's Gaming Account, and the Gaming Devices

72. One need that was present in some of the types of cashless systems I've explained above was the ability for the player to transfer money from the player's bank account directly to the gaming device. For example, as U.S. Patent No. 5,038,022 to Lucero (E1021) explains that if a player runs out of money while at the

gaming machine, it is a problem to have to leave the gaming machine to get more money. So, Lucero proposed a system in which “a player, without leaving his position at the machine, [can] insert his debit card in a slot of the card reader forming part of the machine to automatically debit his account at a financial institution in the amount entered through the keyboard pad thereby giving the player a credit balance visually displayed which the player can ‘playoff’ simply by continuing to operate the machine. In this embodiment, once the account has been debited and the visual display indicates the amount of credit obtained, the player uses the credit to continue to play without leaving his place at the machine.” (E1021, 1:49-62.) In order to allow the player to make such a transfer without leaving his place at the gaming machine, the gaming machine can communicate directly with a server at the financial institution to allow the transfer of funds to occur. (E1021, 1:49-62, 2:4-20; 3:39-4:33; claims 1, 7, 13.)

73. I am well familiar with the system described by Lucero (E1021). In fact, I specifically discussed this system in my own patents – U.S. Patent Nos. 5,902,983 (E1023), 6,347,738, and 6,547,131 (E1013). In my patents, I explain:

More recently, it has been proposed to provide casino gaming machines with the electronics for Electronic Funds Transfer ("EFT") processing. Such systems were initially proposed by Crevelt in "Slot Machine Mania" pp. 225-226, Gollehon Books, Grand Rapids, Mich. (1988,

1989). The same general systems were later described in U.S. Pat. No. 5,038,022 issued to Lucero. Such references propose systems in which a player simply inserts his or her credit or debit card into a card reader on a gaming machine, enters his or her personal identification number ("PIN") on a keyboard, and then requests a desired amount of funds to be transferred from his or her remote financial institution to the local gaming machine. The requested funds transfer would then be approved by the institution, transferred to the gaming machine, and converted to credit to play that machine.

As contemplated by Lucero, this system would result in higher revenues for casinos, as gaming machine players would be able to remain at a given machine for an extended period of time without visiting a cashier or ATM machine. While this may be true, it unfortunately means that a small minority of susceptible individuals will tend to financially over extend themselves. Allowing such individuals to have direct and easy access to their entire bank accounts could, under certain circumstances, be financially ruinous. Thus, the system proposed by Lucero likely will be unpalatable to at least some legislatures which regulate gaming.

Thus, there exists a need for an EFT system that allows cashless transfers of funds to gaming machines and yet protects against rash

decisions by some players to divert large amounts of their savings to gaming. (E1023, 1:65-2:28.)

74. I set out to improve the Lucero system by claiming a gaming machine and a method of using a gaming machine to obtain credit via an electronic funds transfer (EFT) system, wherein the gaming machine determines that a player has request a playing credit from his or her remote bank, and setting a “preset amount” of funds that the player can transfer to the gaming machine from the player’s remote bank account.

75. I also recognized that systems like Lucero should not be solely limited to transferring money from the player’s bank account directly to the gaming machine. Instead, the player should be given the ability to transfer money from his or her external bank account to the player’s gaming account at the casino:

In a third embodiment, funds transferred from a player's remote financial institution are converted to plays on a gaming machine only after the player inserts into the gaming machine a casino issued debit card representing the value of the transferred funds. Such casino issued debit card is another form of "tangible indicia of playing credit" as that term is used herein. In this embodiment, the gaming machine includes the card reader and other EFT point of sale mechanisms of the first embodiment, and, in addition, a separate mechanism for reading a

casino issued card. This mechanism may be incorporated into the card reader used for reading debit or credit cards. In this embodiment, the player would first use his or her debit card to transfer funds from his or her account at a financial institution to a casino account (in the player's name). The player would then insert a separate casino card to access his or her casino account and convert transferred funds to actual playing credit at a particular machine. In practice, the player would typically insert his or her debit card into the machine's EFT card reader, perform the necessary selections to transfer funds to a casino account, remove the debit/credit card, and then insert a casino card. The player could then select a desired amount of playing credit from the player's casino account. Like the coupons issued in the second embodiment, the casino cards could be used to play different machines within the casino. (E1023, 11:9-34.)

76. Shortly after the filing of my patent application that ultimately resulted in U.S. Patent No. 5,902,983, Lucero filed another patent application where he “added on” to his previous patent. This ultimately resulted in U.S. Patent No. 5,811,772 (E1022.) In this patent, Lucero explains an embodiment in which a player can use a general purpose charge card to open and/or maintain a gaming account within the casino directly from the gaming machine. (E1022, 11:17-27.) In this

system, the player swipes his or her charge card at the gaming device, whereupon the gaming device (via its networked connection) determines whether that charge card is already associated with a gaming account. If there already is a gaming account, funds can be transferred from the financial account associated with the charge card to the player's gaming account whereupon they can be wagered from the gaming account. (*See, e.g.*, E1022, Abstract, 11:17-49; 12:25-13:5; claim 1.)

77. Lucero in E1022 also teaches that when the player is done wagering, he or she can move funds from the gaming device and back to the player's gaming account and/or the player's external financial account linked to the charge card: "When the player has finished gaming, the processing facility can: (1) issue credit or debit the general purpose charge card account; (2) retain any credit or debit balance in the gaming account for subsequent use by the player; or (3) a combination of the two. Thus, for example, if a player has winnings of \$100, the player could choose to credit the general purpose charge card account with \$50 and to leave \$50 in the gaming account for future use." (E1022, 11:51-58.)

IX. OVERVIEW OF THE '708 PATENT

78. The '708 Patent is directed to systems and methods for moving money into and out of various accounts associated with a casino gaming environment without the use of cash. (E1002, Abstract, 1:23-30.)

79. As is shown in Fig. 3, the '708 system allows a player to transfer funds from a personal account (accessed by stored payment vehicle 316, brown¹) to an account inside the casino environment (gaming account 388, green), and then do the reverse and transfer funds back from an account inside the casino environment to an outside personal account to facilitate cashless wagering and redemption. (*Id.* at 1:63-2:3.) The system also allows the casino to track a player's gaming activity and player purchase activity, both inside and outside the casino, to associate such activity with the player's loyalty profile 352. (*Id.*, 1:63-2:3.)

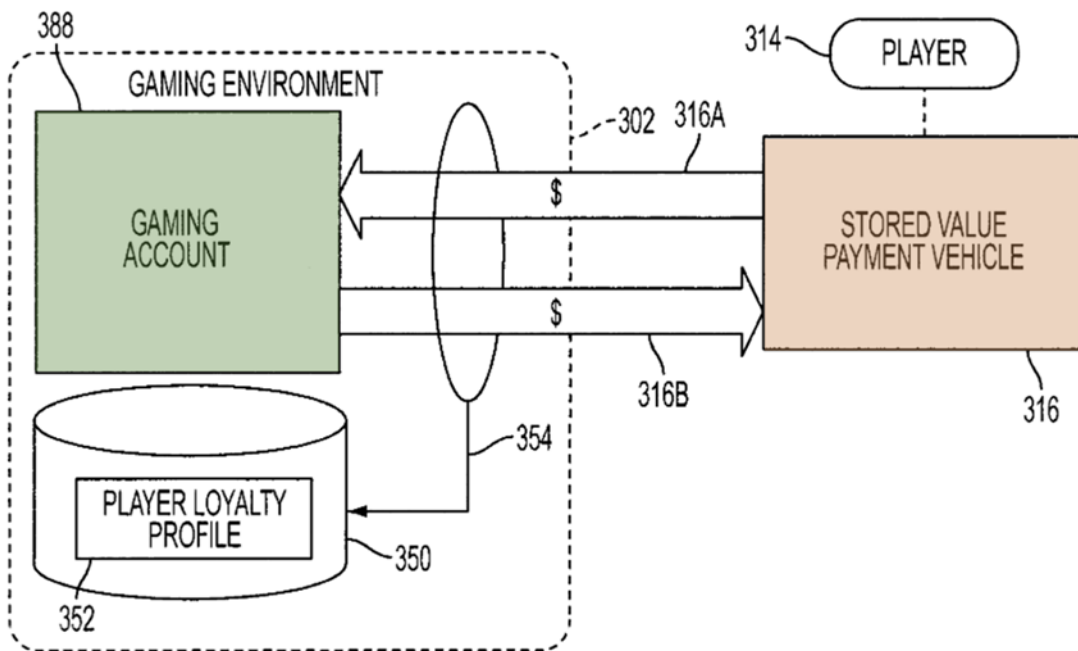


FIG. 3

¹ All emphasis of text and figures in this Declaration is added unless otherwise noted.

80. The '708 system includes on a number of features and components to implement the cashless transfer of funds into and out of the gaming environment:

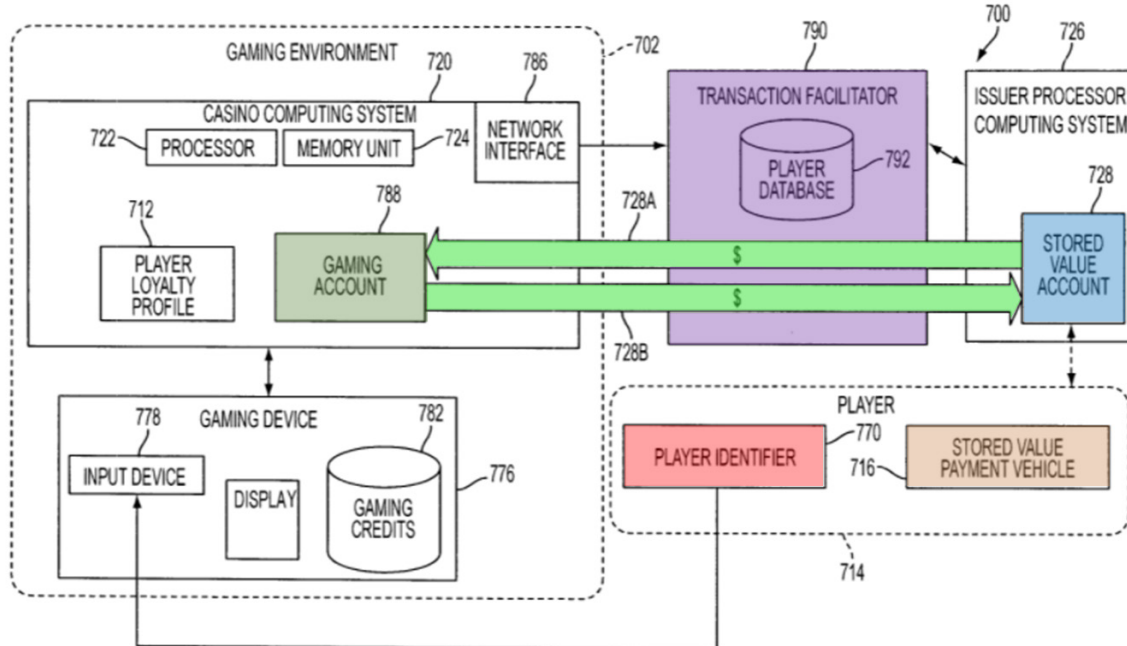


FIG. 7

81. As is shown in Fig. 7, a player maintains a stored value account 728 (blue) (typically a bank account) outside the gaming environment 702. The stored value account is operated by a computing system (issuer processor computing system 726), and funds are accessible through the use of a stored value payment vehicle 716 (brown), such as a debit or credit card. (*Id.* at 12:51-65.)

82. The player also maintains a gaming account 788 (green) (also referred to as a casino-level player account) inside the gaming environment. (*Id.* at 13:60-14:9.) The gaming account can communicate with gaming devices 776 to provide the player with access to funds at a gaming devices, such as slot machines.

83. A transaction facilitator 790 (purple) is used to facilitate transactions between the stored value account and the gaming account. (*Id.*, 12:42-44; 13:65-14:3.) The transaction facilitator can be outside of the gaming environment, can reside within the gaming environment, or be controlled by an operator of the gaming environment. (*Id.*, 13:5-8.)

84. The '708 Patent teaches that although shown in Fig. 7 as a single entity, the transaction facilitator can be distributed across a plurality of entities, including various gateways, processors and payment intermediaries. (*Id.*, 12:65-13:5.) The transaction facilitator can be a computer, server, mainframe or network of computers, and as illustrated in Fig. 9 (below), can include a processor 992, memory 994 and a server 996. (*Id.*, 16:39-59.)

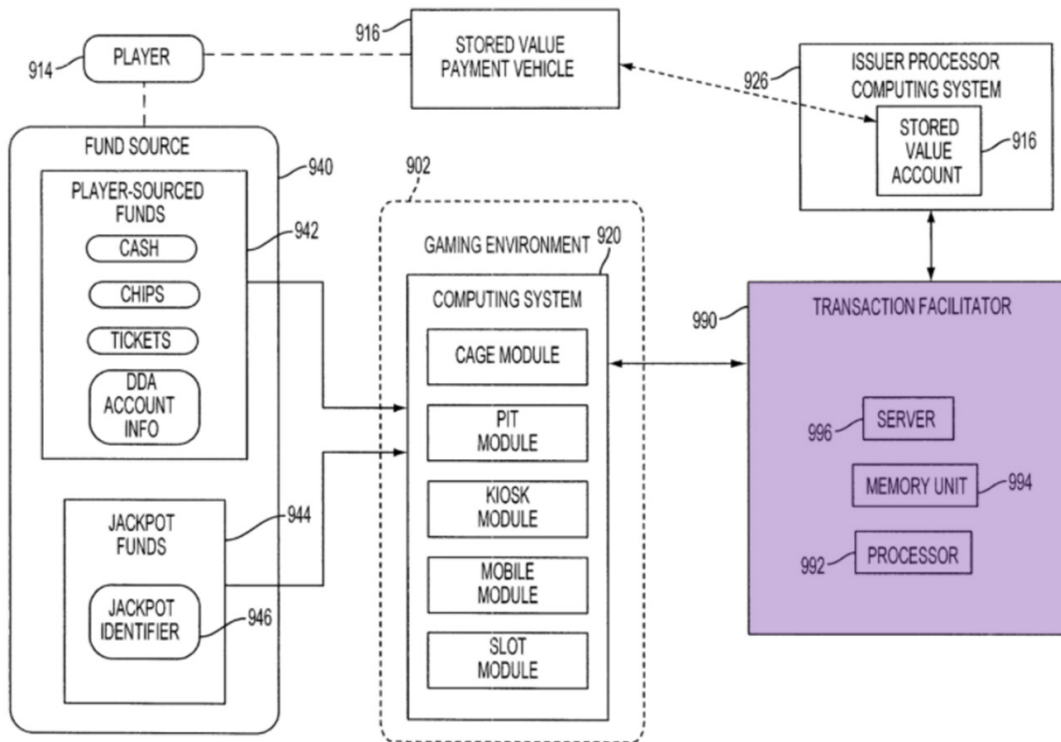


FIG. 9

85. In order to use money from a player's stored value account to fund a player's gaming account, a player can provide a player identifier 770 (red) to the gaming environment to identify himself or herself. This may be performed by providing a player card, debit card or other player identifier linked payment vehicle to a gaming device. (*Id.*, 5:49-67; 13:39-47.)

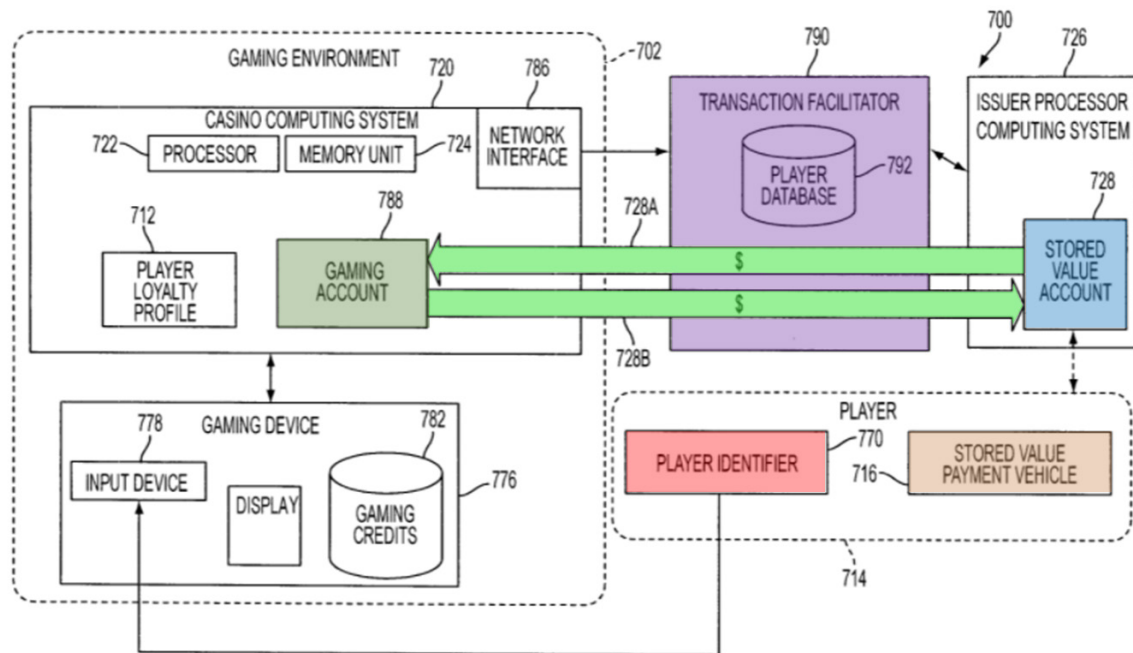


FIG. 7

86. Once the player is identified, the player’s associated gaming account and stored value account can be identified. (*Id.*, 6:1-4; 13:48-59.) Funds can then be transferred from the stored value account into the gaming account, as represented by arrow 728A. (*Id.*, 6:25-31; 13:60-14:9.)

87. The funds in the gaming account are then available for wagering at the gaming device. (*Id.*, 6:33-36.) When the player is done gambling, the player can “cash out” by sending funds from the gaming device, back to the player’s gaming account and then to the stored value account. (*Id.*, 6:36-43; 13:60-14:9.)

88. The ’708 patent includes four independent claims that recite a method of gaming, and method of funding player accounts both in the gaming environment and outside the gaming environment. (E1002, Claims 1, 10, 17, 24.) But such

cashless gaming systems with player tracking having the features of the '708 Patent's claims were well known and disclosed in the prior art before September 2012.

88A. It is my understanding that a provisional patent application must support the claims of the subsequent non-provisional utility application in order for the utility application to claim the benefit of the provisional application. I have reviewed Provisional Application No. 61/744,564 (Exhibit E1004). There are multiple claim terms of the '708 Patent which do not appear to be included in the provisional filing. For example, claim 17 states "receiving ... jackpot information, wherein the jackpot information comprises at least a jackpot identifier" and "an authentication of the jackpot information." In looking at the provisional application (E1004), I see no discussion of what a "jackpot identifier" is, or how it would be "authenticated." The provisional application does appear to show, on E1004, page 37, that a player can load value into a card account from "Jackpot payouts":

- Stored Value program
 - No gaming devices
- **Ways to Load value**
 - Slot tickets
 - Jackpot payouts
 - Redemptions (points)
 - Check Cashing
 - Online Credit/Debit
 - Casino cage
 - Standard ACH

But I don't see anything about what a "jackpot identifier" is, or how the "jackpot information" would be identified.

X. GROUND 1: CLAIMS 1-2, 6, 8-9, 11-12, 15-16, 18-20 ARE OBVIOUS IN VIEW OF SMITH

89. I have reviewed claims 1-2, 6, 8-9, 11-12, 15-16, and 18-20. A POSA would have found these claims to be obvious over the teachings of U.S. Patent Publication No. 2013/0073447 ("Smith").

1. Overview of Smith

90. Smith is directed to a funding system for gaming establishments that provides cashless fund transfers from a player's personal account to the gaming establishments. (E1005, Abstract.)

91. Fig. 6 of Smith shows how funds are transferred. (*Id.*, [0084].) Funds originating from a player’s personal account 204 (such as bank account, checking account, credit card, etc.) are transferred to a “funding account 128” (highlighted blue). (*Id.*, [0084].) The funds in the funding account are accessible to the player, for instance by the use of a debit card. (*Id.*, [0033].) The player may transfer funds from the funding account to the casino, to a player’s casino account 604 (also referred to as a casino trust account or player account; highlighted green) in the casino or gaming establishment. (*Id.*, [0009], [0085].)

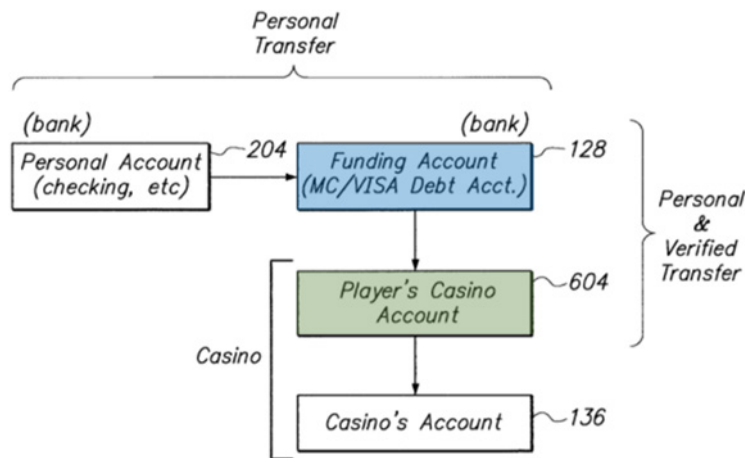


FIG. 6

92. Smith discloses that the player may then make wagers in the casino use the funds in their player’s casino account 604 (green), at which time funds are transferred from the player’s casino account 604 to the casino account 136 (such as a bank account belonging to the gaming establishment). (*Id.*, [0009], [0085].)

93. Figure 1 (below) is a block diagram showing additional components of Smith’s funding system 104. A bank or other financial institution 116 provides a funding account 128 (blue), and may issue a debit card 124 (brown) to the player for accessing the funding account. (*Id.*, [0033].) Likewise, a player card center 120 may issue a player card 112 (red) to the player that is linked to the player’s casino account 132 (designated “player account” in Fig. 1; green). (*Id.*, [0036].) The reference to “player account 132” and “player’s casino account 604” are to the same account.

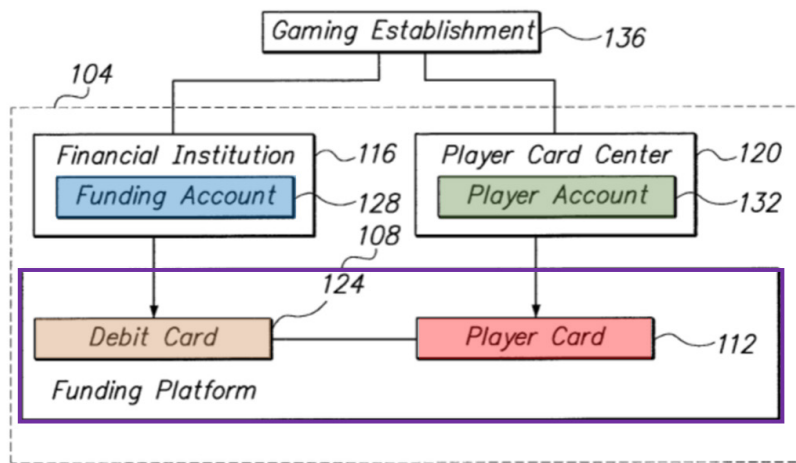
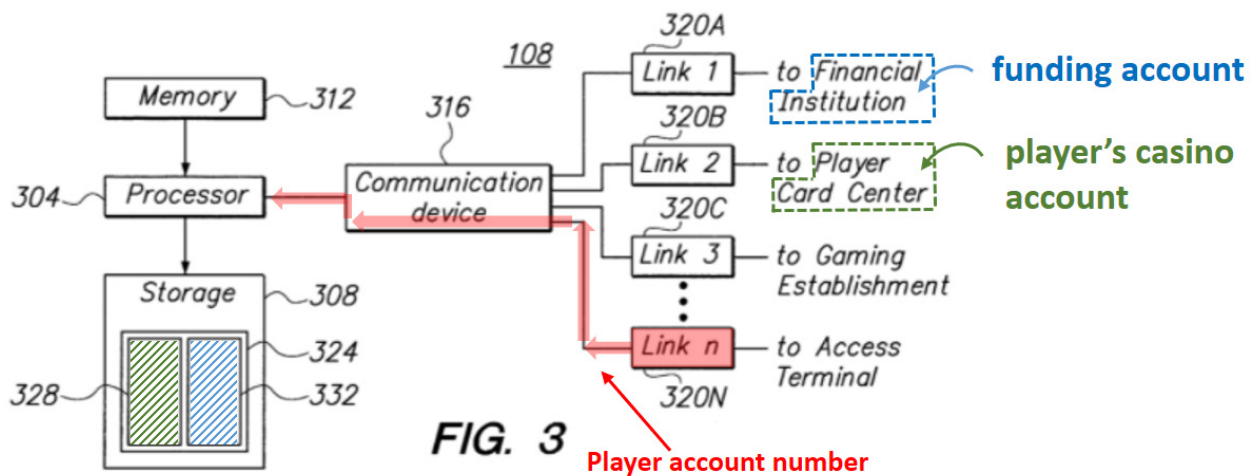


FIG. 1

94. A funding platform 108 (also referred to as a “linking platform”) (purple) links the funding account (and its associated debit card 124) with the player’s casino account (and its associated player card 112). (*Id.*)

95. Figure 3 of Smith (below) shows how the funding account is associated with the player’s casino account. The player can swipe his or her card at a card

reader of a casino access terminal, such as a gaming machine. (*Id.*, [0077].) Doing so presents player card information (*e.g.*, an account number) to a communication device 316 and processor 304 via link 320N, as shown by the red arrows below, to facilitate the funding transaction. (*Id.*, [0046], [0077].) Based on this player card information, a processor 304 is able to locate associated player account information 328 (*i.e.*, information regarding the player's casino account; shaded green) and funding account information 332 (*i.e.*, information regarding the player's funding account; shaded blue) from storage 308. (*Id.*, [0049]; Figs. 3, 5.)



96. Once both accounts are identified and associated, fund transfers between the player's funding account and the player's casino account can be executed. This is accomplished by communicating via link 320A to the financial institution 116 (which provides the funding account), and communicating via link 320B to the player card center 120 (which provides the player's casino account). (*Id.*, [0045], [0046], [0079].)

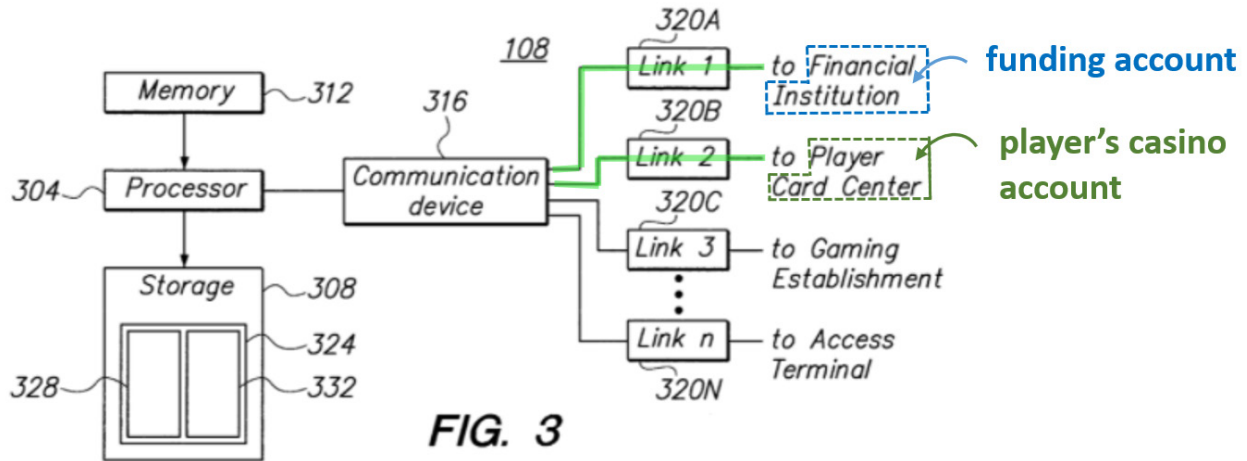


FIG. 3

97. I have shown this process below, with the blue arrows showing the player's funding account information allowing the processor 304 and communication device 316 to communicate with financial institution regarding transfers to/from the player's funding account, and the green arrows showing the player's player account information 328 allowing the processor 304 and communication device 316 to communicate with the player card center regarding transfers to/from the player's player account. In short, the funding account information 332 allows the system to communicate with the appropriate financial

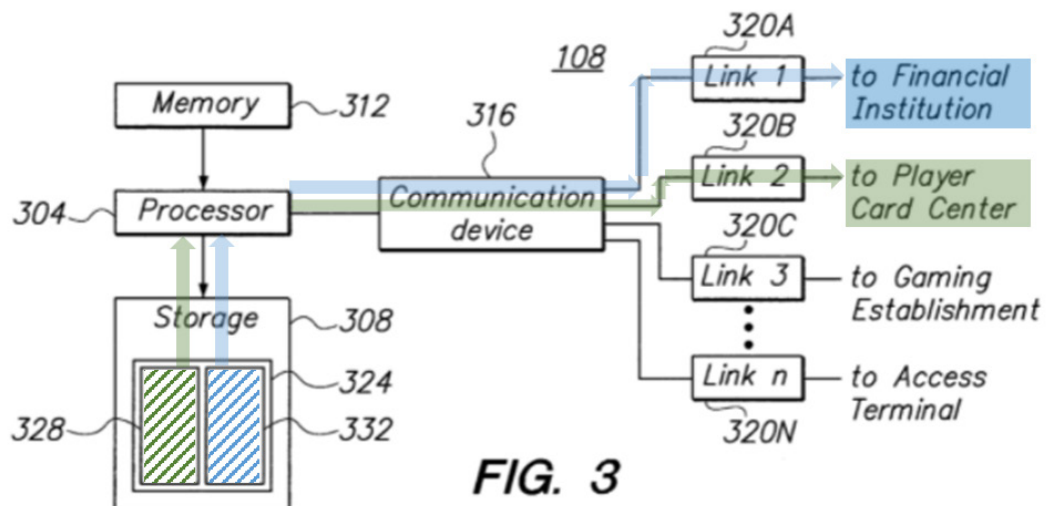


FIG. 3

institution including the proper account number, and the player account information 328 allows the system to communicate with the appropriate player account, such that funds can be sent to/from the proper accounts at either the financial institution or the player card center.

98. Smith describes some of its benefits as follows:

In general, a funding system in accordance with the invention allows funds to be electronically transferred by players to a gaming establishment for the purpose of making one or more wagers. The benefits of the funding system include the convenience of electronic funds transfers versus cash, check, or other transactions. In contrast to credit cards, however, the gaming establishment is protected against illegitimate chargebacks when using the funding system to accept funds. In addition, the funding system may provide player cards that provide additional benefits to players and gaming establishments in addition to the benefits of electronic funds transfers. (*Id.*, [0029].)

2. Independent Claim 1

- a. [1.0] A computer-based method of transferring funds between a stored value account and a gaming account, the method comprising:**

99. Smith discloses a computer-based method of transferring funds between a stored value account and a gaming account.

100. For example, Smith is directed to a funding system for gaming establishments. (E1005, Abstract.) Gaming establishments, such as casinos, provide people with the ability to game on gaming devices. Gaming, including using funds to wager at gaming machines such as slot machines (video and mechanical) and video poker. (E1005, [0092].) And, as I describe later, Smith teaches the player causing various fund transfers from the gaming machine within the casino. (E1005, [0077].)

101. Smith's system and method are also computer-based. For example, Smith's "funding platform 108 may be configured as a server having one or more processors 304 that execute instructions to provide the functionality of the funding platform as disclosed herein." (E1005, [0043].) "The instructions may be hardwired into the processors 304 and/or retrievably stored on a storage device 308 for execution by the processors. It is noted that the storage device 308 may utilized various data storage technologies (e.g., magnetic, optical, or flash storage) now known or later developed." (E1005, [0044].) Smith's system also includes one or more communication devices 316 that "may be hardware interfaces that allow the funding platform 108 to communicate with other servers or devices" by "one or more wired and/or wireless connections, paths or links" to "execute fund transfers." (E1005, [0045].)

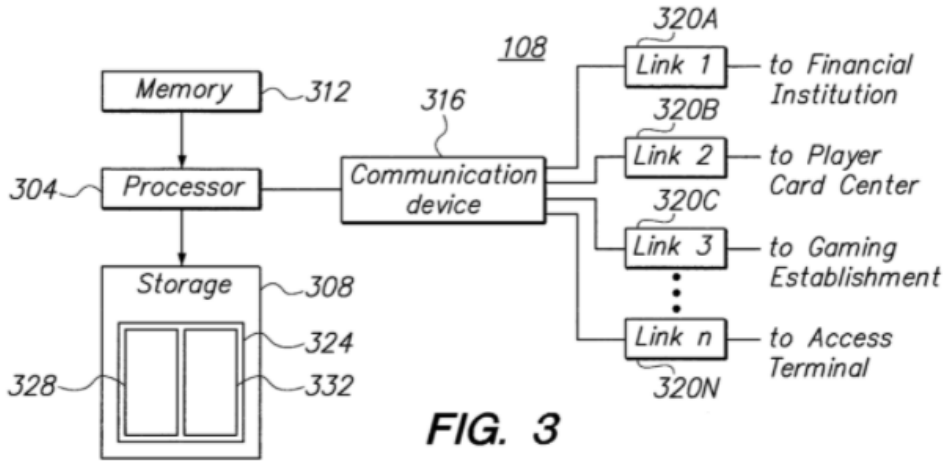


FIG. 3

102. In particular, Smith discloses transferring funds between funding account 128 (blue) (stored value account) and player’s casino account 132/604 (green) (gaming account). (See claim elements [1.2] and [1.3] below for a detailed discussion of stored value account and gaming account, where Claim 1 introduces those limitations.)

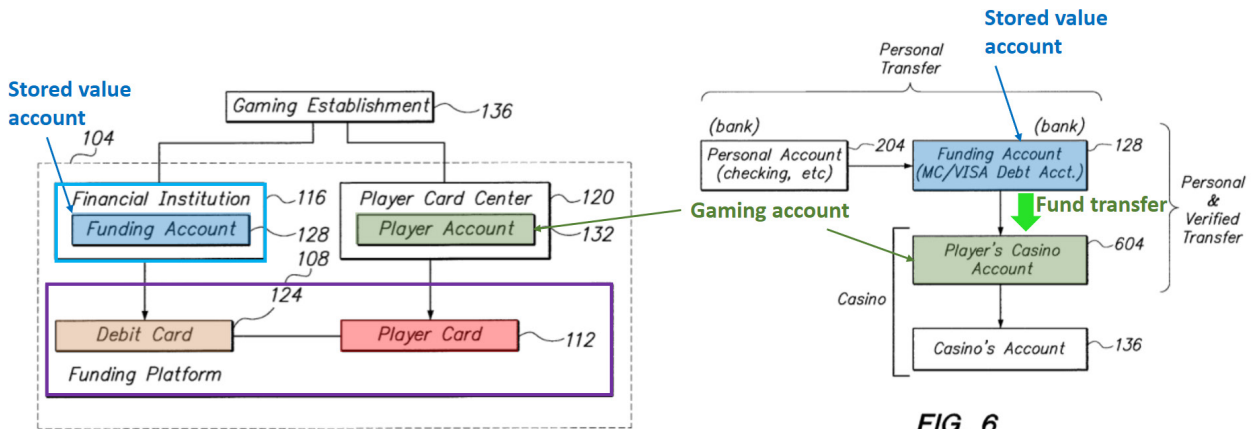
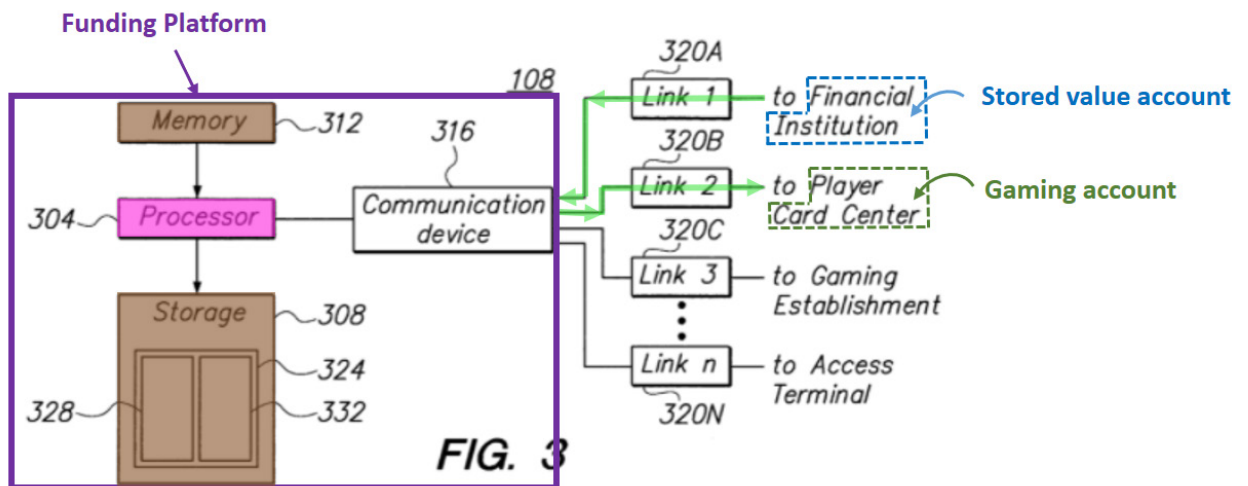


FIG. 6

Smith’s funding platform 108 (purple), shown in Fig. 1 above and Fig. 3 below, functions “as a hub to orchestrate fund transfers between a player, various accounts, and the gaming establishment 136” – such as between a stored value account 128

and gaming account 604/132. (E1005, [0039], [0036].) Funding platform 108 (Fig. 3) is a server having a processor 304, memory 312, storage 308 and communication device 316 that collectively execute instructions and communicate fund transfers to and from a gaming establishment. (*Id.*, [0043], [0045].) Smith thus discloses a computer-based method of transferring funds between a stored value account and a gaming account. (*Id.*, [0092]; E1001, ¶¶99-102.)

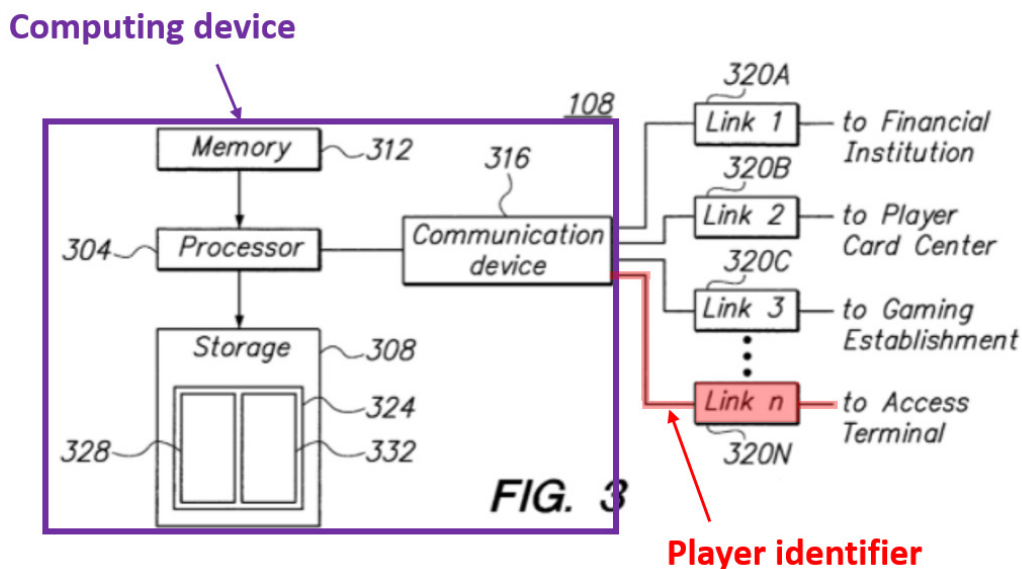


Smith’s disclosure of “transferring funds between a stored value account and a gaming account” is further demonstrated by analysis below, especially of limitation [1.6].

b. [1.1] receiving, by one or more computing devices, a player identifier of a player,

103. Smith discloses receiving, by a computing device, a player identifier of a player.

104. First, Smith discloses a computing device, i.e. Smith’s linking platform / funding platform 108. Figure 3 of Smith is reproduced below, showing the linking platform / funding platform 108 (purple) including “one or more *processors* 304” (pink). (E1005, [0043].) The processor(s) 304 “execute instructions to provide the functionality of the funding platform as disclosed herein.” (*Id.*)



105. Smith’s funding platform 108 also includes a *memory unit* in the form of both memory 312 and storage 308 (brown). Memory 312 can be “RAM or cache memory,” and “may be used to store various types of data such that it is quickly accessible to a processor 304.” (E1005, [0044].) Storage 308 may have instructions stored therein “for execution by the processors,” (E1005, [0044]) and may also store account information 324, including player account information 328 and funding account information 332. (E1005, [0047], [0049].)

106. Smith's funding platform 108 receives a player identifier of a player. For example, Smith's player card center 120 provides "player tracking accounts for players." (*Id.*, [0034].) In particular, "the player card center 120 may issue player tracking cards 112 for use by players in accessing their player accounts at a gaming establishment. For example, players may accumulate rewards such as player points and redeem such points via their player tracking card 112. A player may be eligible for various prizes through their participation and/or use of a player tracking card 112 at a gaming establishment. In addition, it is contemplated that a player may access a funding account he or she has at the gaming establishment using the player tracking card." (*Id.*) The player tracking card 112 "may have information stored thereon or which is otherwise associated therewith that identifies a player's account at a gaming establishment." (E1005, [0035].) The information stored on the player tracking card 112 may include "an account number" or the like that "may otherwise identify such an account." (*Id.*) Once the player has been issued the player tracking card, Smith teaches that a player may initiate a fund transfer using the player card. Smith's Figure 5 shows this process, which includes at step 504, receiving player card information at the gaming machine:

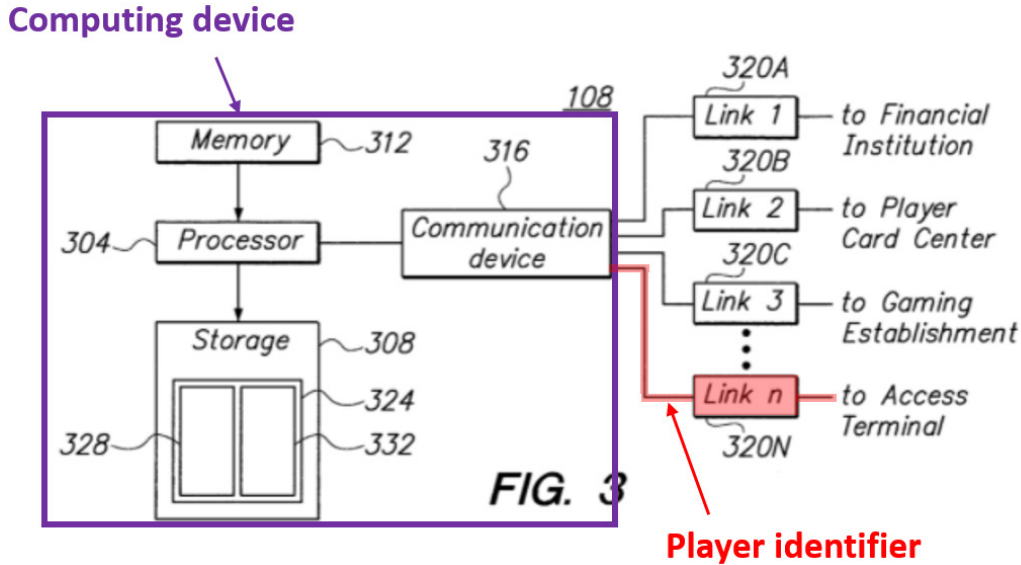
FIG. 5 is a flow diagram illustrating an exemplary fund transfer utilizing the funding system. As with the above, the steps here can be performed by the funding platform or one or more servers. At a step

504, the funding platform may receive player card information, such as a player account number and PIN or other password or authorization information. The player card information may be read from a player tracking card and provided to the funding platform via a kiosk, gaming machine computer, or other access terminal. For example, the player may swipe or scan his or her card at a card reader of a gaming machine, which device transmits the player card information to the funding platform. Alternatively or in addition, the access terminal may have one or more inputs, such as buttons, through which the player may input player card information such as a player account number. The player may input his or her PIN or other authorization information via the inputs as well. (E1005, [0077].)

Smith therefore teaches providing a player tracking card including a unique player account identifier – the *player identifier* – that is associated with the player’s casino/gaming account.

107. As shown in Fig. 3 below, when a player swipes or scans his/her debit card or player tracking card at an Access Terminal (e.g. gaming device), the communication device 316 receives the player identifier (red) via communication link 320N. (*Id.*, [0042], [0046], [0077].) Funding platform 108 and its processor 304 use the player identifier to retrieve the player account information 328 and funding

account information 332 from storage 308. (E1005, [0049].) Smith thus discloses the step of receiving a computing device receiving a player identifier of a player.



- c. [1.2] wherein the player identifier is associated with a gaming account having a balance maintained by a casino computing system,

108. Smith discloses wherein the player identifier is associated with a gaming account having a balance.

109. Smith’s Fig. 6 (annotated below) shows that funds are transferred from the player’s funding account (i.e., stored value account 128, as will be described later) (blue) into the player’s casino account (i.e., gaming account 604 / 132) (green). The gaming account must have a balance because the funds in that account can be wagered or used within the casino. (E1005, [0009], [0041], [0076], [0085].) Even when the player has zero funds in their gaming account, the balance would be zero. A POSA would understand that Smith’s references to a “player’s casino account”

and a “player account” are the same. In fact, Smith uses the terms interchangeable. (Compare, e.g., E1005 at [0015]-[0019] and [0036] with E1005 at [0009], [0010], [0013], [0041], [0059].) Accordingly, in my opinion, a POSA would understand that the player’s casino account 604/132 in Smith is a gaming account having a balance.

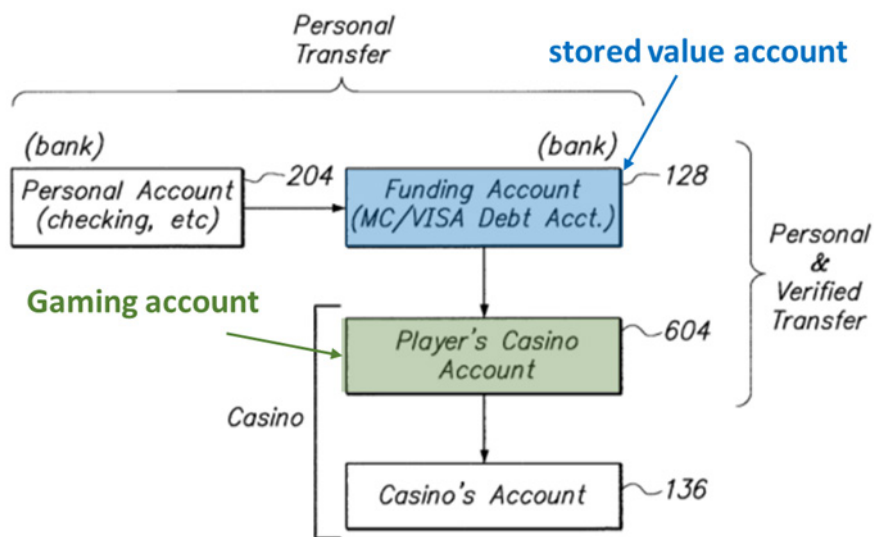
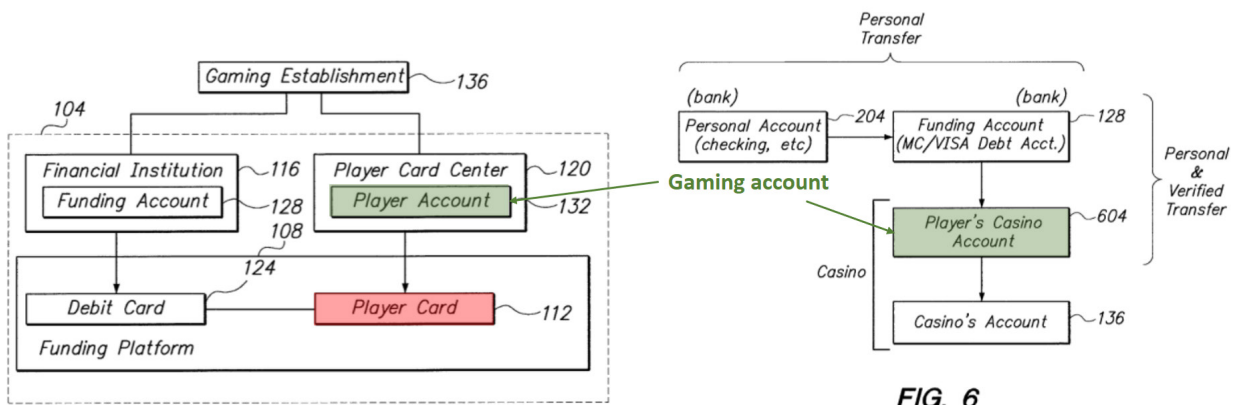
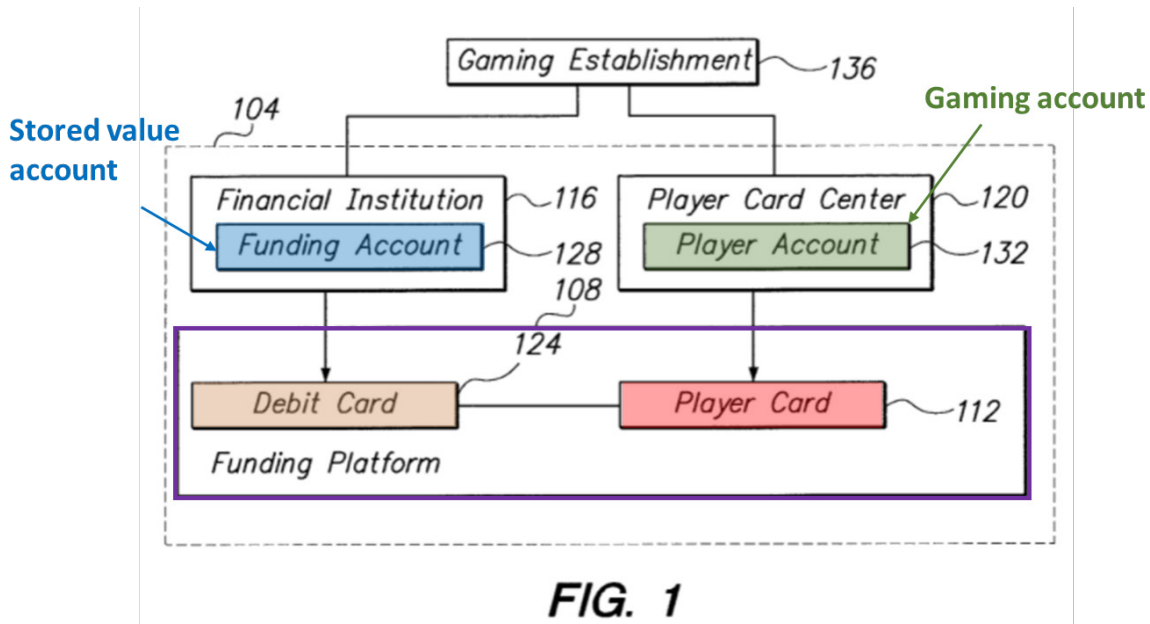


FIG. 6

110. As explained in [1.1] above, the player tracking card 112 provides the player identifier. Smith further discloses, “[t]he player tracking card 112 ... may have information stored thereon or which is otherwise associated therewith that identifies a player’s account at a gaming establishment.” (E1005, [0034]-[0035], [0077]-[0078].) This is illustrated in Fig. 1, showing player card 112 (red) linked to the player’s gaming account 132 (green). (E1005, [0036].) Swiping the player tracking card 112 allows the player to access the identified account. (E1005, [0035],

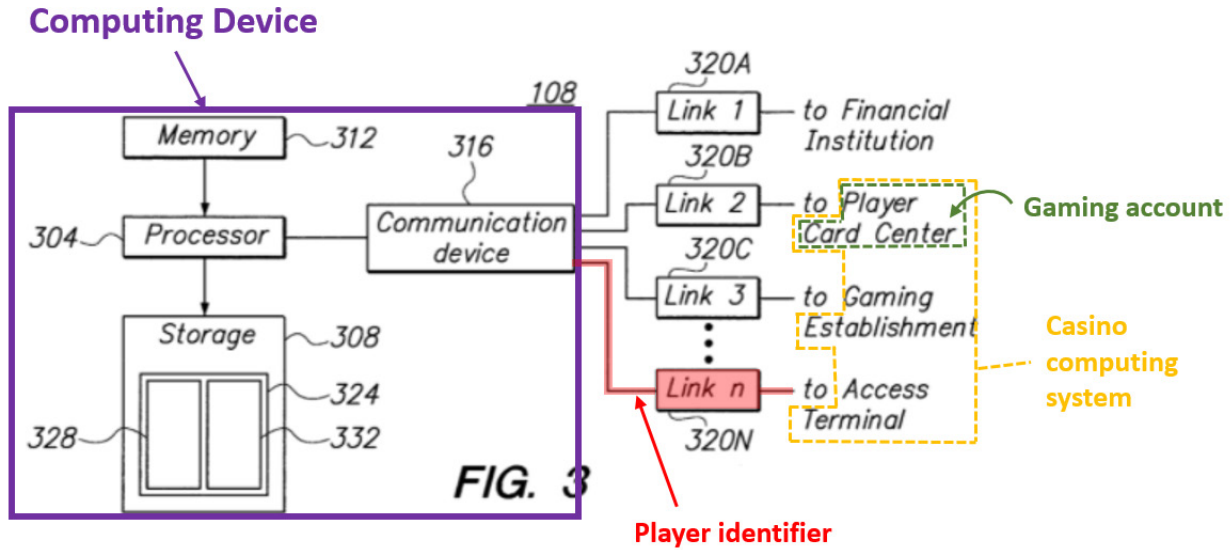
[0077].) Accordingly, Smith discloses that the player identifier is associated with a gaming account having a balance.



111. Regarding a casino computing system, Smith includes a player card center, a gaming establishment, and access terminals, and a POSA would immediately envisage that these include or are part of or associated with a casino computer system – one that monitors and manages gaming machines, player accounts and player wagering activities, and interfaces with other computing

systems at the casino. I have labeled these in annotated Figure 3 below. For example, regarding the player card center, Smith teaches that “player card center 120 may provide player tracking accounts for players and gaming establishments,” and “may be part of [the] gaming establishment.” (E1005, [0034].) The player card center 120 also issues player tracking cards 112 for use by players in accessing their player accounts at the gaming establishment. (*Id.*) Indeed, Smith’s player card center 120 establishes the gaming account 132/604 and player tracking card 112. (E1005, [0073].) Regarding access terminals, Smith discloses “access terminals” which are shown in Figure 3. Smith lists examples of what “access terminals” are, such as a kiosk or gaming machine computer. (E1005, [0077].) Whatever the type of access terminal, the player is able to perform fund transfers at it. (*Id.*) To do so, “the player may swipe or scan his or her card at a card reader of a gaming machine, which devices transmits the player card information to the funding platform.” (*Id.*) Of course, to do so, some sort of computer must be present in order to read the player information from the player card, and transmit that player card information. I detail that type of technology in section VIII(A) above regarding the background of player tracking technology. Smith itself even teaches that player card center 120 (which issues the player card) communicate via a communication link 320B which can “utilize one or more communication protocols” to transfer the information electronically. In all, it is immediately clear to me and it would be immediately clear

to a POSA that Smith’s player card center, gaming establishment, and access terminals (e.g., gaming machine computers) include a casino computing system.



112. Alternatively, it would be obvious to a POSA that Smith’s player card center, gaming establishment and access terminals include a casino computing system in view of the state of the art, and particularly the use of computer games such as slot machines or video poker tracked closely by casino computer systems, at the effective priority date of the ‘708 Patent (i.e. the filing date of the application leading to the ‘809 patent). For example, as I explained above in Section VIII(A), access terminals such as gaming machines were first connected online to a central computer system in January 1975, when Gamex Industries revealed its online Slot Accounting and Security System at the London AMOA show. As I go on to explain, ever since then, it has been widely accepted that casinos include gaming machines that are not only electronic and provided with computer technology, but are

interconnected with a central computer on the casino floor for monitoring individual signals from the gaming machines. Bally Manufacturing first implemented this type of system in 1975 – and casino computer systems have been utilized in casinos all over the world since then

113. As discussed, Smith discloses that the “player account” issues and stores the “player account” 132. (E1005, Fig. 1, [0034]-[0035], [0077]-[0078]). Because the “player card center” 120—which as described, is part of, or would be obvious to be part of, a “casino computing system” —stores the “player account” 132 (i.e. “gaming account”) —accordingly Smith discloses or suggests that the gaming account having a balance maintained by a casino computing system.

d. [1.3] identifying, by any of the one or more computing devices, a stored value account based at least partially on the player identifier,

114. Smith discloses identifying, by any of the one or more computing devices, a stored value account based at least partially on the player identifier.

115. Regarding a stored value account, Smith teaches a “funding account 128.” A “bank or other financial institution 116” may provide the funding account 128, which may be a “debit card, checking, savings or other account” for “holding and transferring a player’s funds.” (E1005, [0033].) Funds can then be transferred from the stored value account to a player’s casino/gaming account 604, from which

funds may be wagered. (E1005, [0013]; [0041], [0059], [0076], [0085].) For example, Smith states:

When desired, the player may transfer funds from the funding account 128 to the gaming establishment 136 so that he or she may use the funds to wager or purchase goods or services at the gaming establishment. In a preferred embodiment, the transfer of funds would typically occur between a player's funding account 128 and a player's casino or trust account 604, such as facilitated by the gaming establishment or its financial institution. Thereafter, the player may utilize the funds associated with their casino account 604 to place wagers. At the time wagers are placed, funds are transferred from the player's casino account 604 to the casino or other gaming establishment (such as a bank account belonging to the gaming establishment).

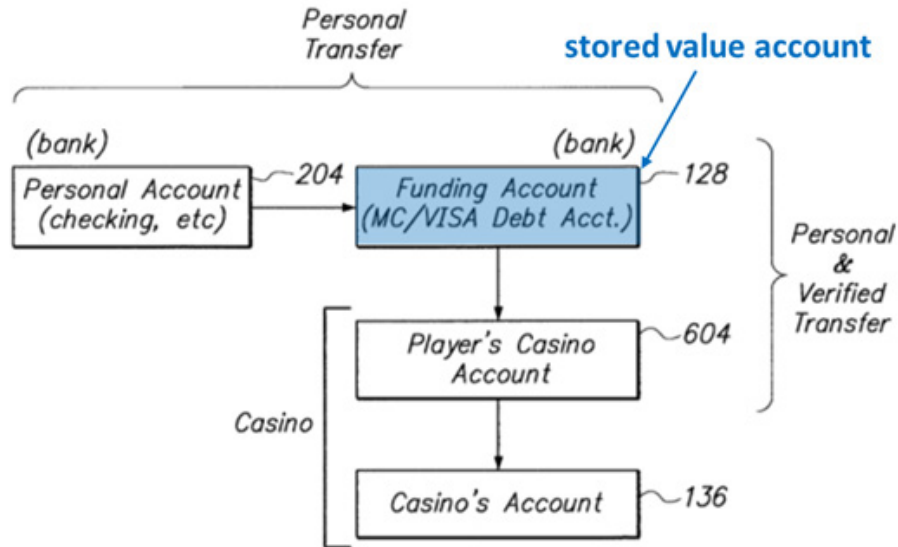


FIG. 6

116. Figure 6 shows that the stored value account can be a VISA or MC (which a POSA would understand to mean “MasterCard”) debit account. Smith even refers to the stored value account as a “debit account”. (E1005, [0091].) Such a debit account is well known to be associated with a debit card that can be used anywhere VISA or MasterCard is accepted. And, as shown in Figure 1, the financial institution 116 may issue such a debit card 124 (brown) or the like through which funds in the stored value account may be accessed. (E1005, [0033].) Smith’s stored value account can therefore be a debit account used to pay for goods or services anywhere a debit card would be accepted, even for purposes outside of casino wagering (*i.e.* grocery, retail store, hotel, show tickets, etc.) (E1005, [0091], [0093], [0094], [0041], Fig. 6.)

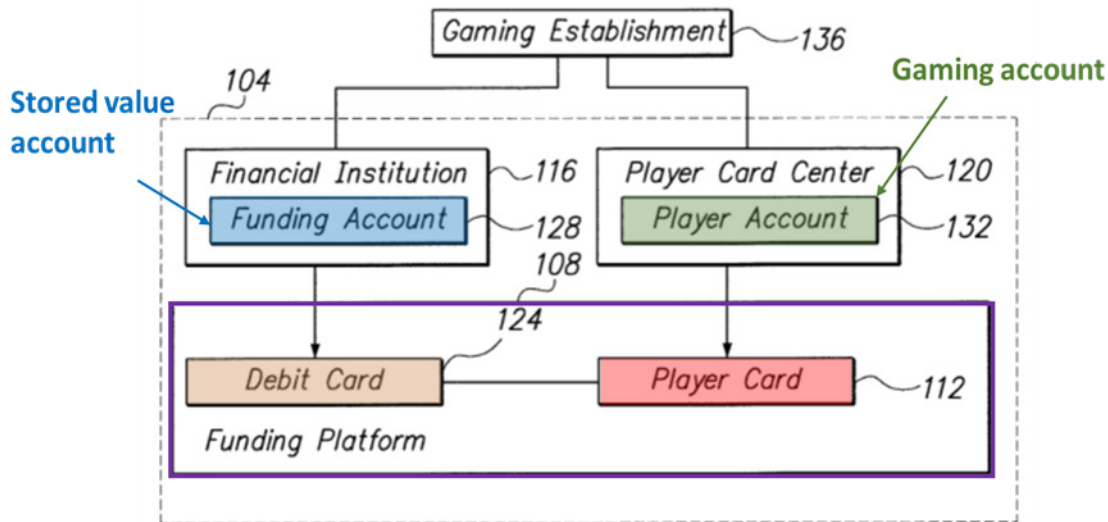


FIG. 1

117. Smith teaches that this stored value account is identified by the player identifier. Smith illustrates in Fig. 5 how the stored value account (blue) is identified by the player identifier (red) associated with the player’s debit card or player card. (E1005, Fig. 5, [0077]-[0078], [0034].) For example, Smith states: “a player may access a funding account he or she has at the gaming establishment using the player tracking card.” (E1005, [0034].) And in more particular, Smith teaches:

At a step 504, the funding platform may receive player card information, such as a player account number and PIN or other password or authorization information. The player card information may be read from a player tracking card and provided to the funding platform via a kiosk, gaming machine computer, or other access terminal. For example, the player may swipe or scan his or her card at

a card reader of a gaming machine, which devices transmits the player card information to the funding platform. Alternatively or in addition, the access terminal may have one or more inputs, such as buttons, through which the player may input player card information such as a player account number. The player may input his or her PIN or other authorization information via the inputs as well.

Once the player card information has been received and access to the player account is verified, such as by comparing the player provided authorization information to that already stored, an associated funding account may be identified. For example, the funding platform may retrieve data from a storage device that identifies a particular funding account that has been associated with the player account. (E1005, [0077]-[0078].)

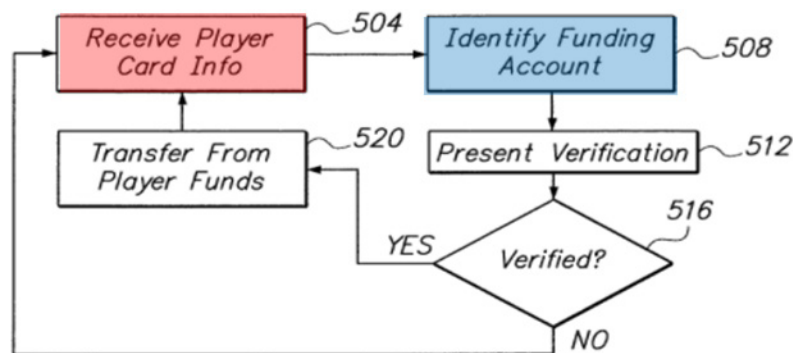
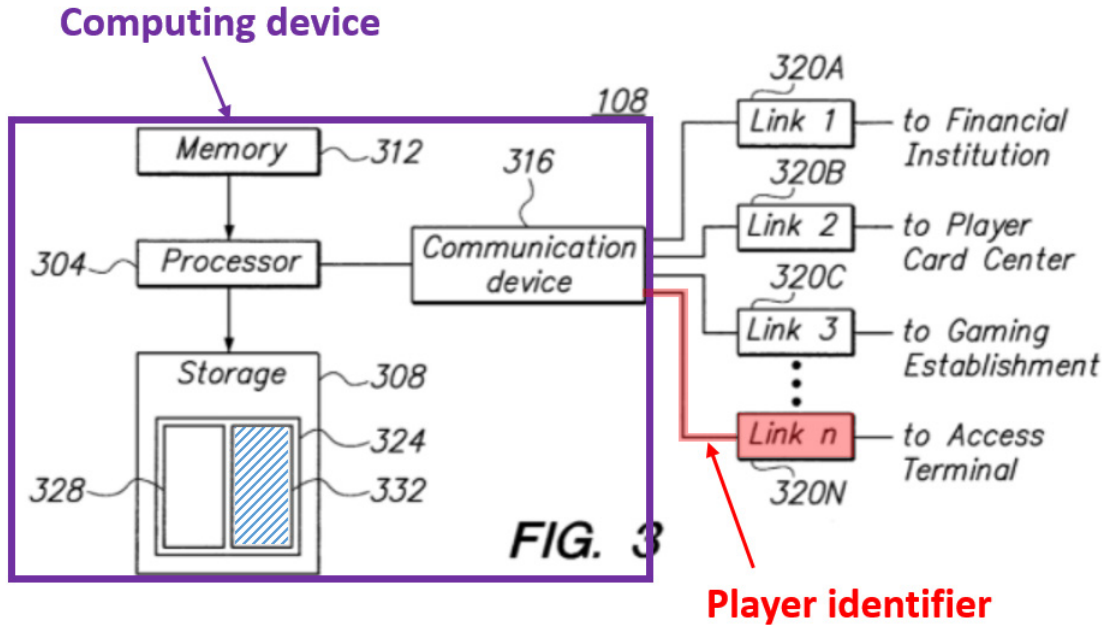


FIG. 5

118. And, the identification of the funding account based on the player card information is performed by the funding platform 108, which, as discussed in

element [1.0] and [1.1], is a computing device. For example, As shown in Figs. 5 and 3, Smith's stored value account is identified by funding account 108 (the *computing device*). Smith teaches that Fig. 5's steps are performed by the funding platform 108 (*computing device*). (E1005, [0075], [0077].) As illustrated in Fig. 3 below, Smith teaches that storage 308 stores funding account information 332 (shaded blue), which identifies a player's stored value account. (E1005, [0049], [0058].) "For example, in one embodiment, the account information may include player account information 328 and funding account information 332. The account information 324 may also include data to associate or link the player account information 328 and the funding account information 332 such that one may be retrieved along with the other. For example, a particular player's player account information 328 and his or her funding account information 332 may be linked by storing each with the same unique identifier. Both accounts may then be retrieved using the unique identifier." (E1005, [0049].) Smith's processor 304 retrieves the funding account information to identify the player's stored value account based on the player identifier from the player tracking card. (E1005, [0017], [0043]-[0044].)

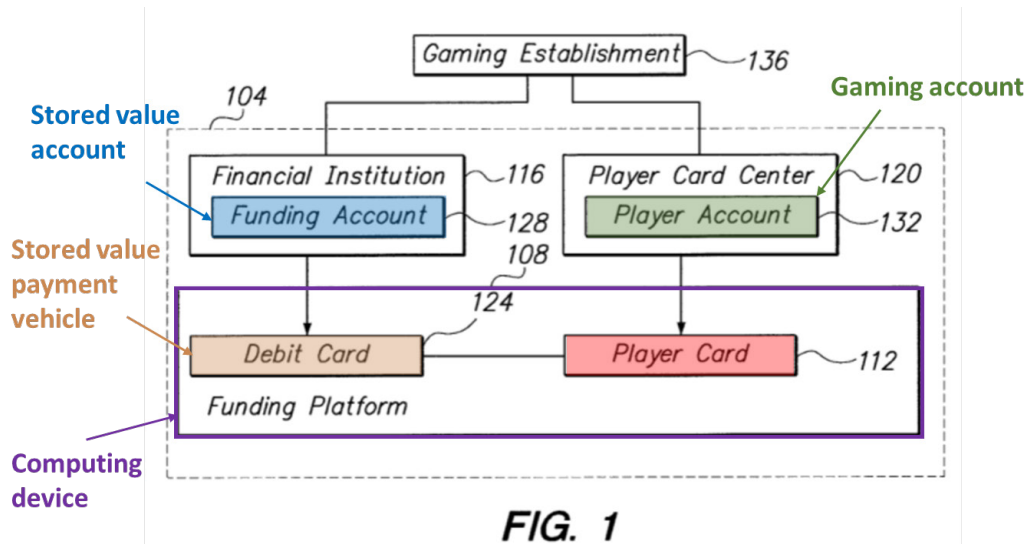


e. [1.4] wherein the stored value account is associated with a stored value payment vehicle issued to the player,

119. Smith discloses wherein the stored value account is associated with a stored value payment vehicle issued to the player.

120. Smith teaches that the financial institution 116 may issue a debit card 124 – a *stored value payment vehicle*) (brown) – to access funds in the stored value account 128 (blue) may be accessed. (E1005, [0033].) As stated by Smith, “The financial institution 116 may issue a debit card 124 or the like through which funds in the funding account 128 and the funding account itself may be accessed.” (*Id.*) Since the debit card 124 is used to access funds in the funding account 128, the debit card 124 is associated with the funding account 128. Figure 6 even states the funding account is a VISA/MasterCard account, which are commonly understood to include

an associated VISA/MasterCard card to access such funds. Thus, Smith teaches the stored value account is associated with a stored value payment vehicle.



f. [1.5] and wherein a balance of the stored value account is maintained by an issuer processor computing system; and

121. Smith discloses wherein a balance of the stored value account is maintained by an issuer processor computing system.

122. Smith teaches that a “bank or other financial institution 116 may provide” the stored value account 128. (E1005, [0033].) The balance of stored value account 128 is accessible, for example, via a debit card 124, as I have explained in claim element [1.4] above. (*Id.*)

123. A POSA would understand and immediately envisage that Smith’s financial institution (*issuer processor*) must have the disclosed server and a computer system (*issuer processing computing system*) to accomplish the disclosed fund transfer, and that the balance of the stored value account is maintained by

Smith's issuer processor computing system. For example, Smith teaches communicating with a financial institution's server:

[T]he funding system may comprise a funding server configured to provide funds to a gaming establishment. The funding server may comprise one or more communications devices configured to receive a funding account identifier and a player account identifier. The funding account identifier identifying a particular funding account and the player account identifier identifying a particular player account. The communications devices may be in communication with a financial institution's server to communicate transfer instructions to transfer funds from the funding account to the gaming establishment. (E1005, [0015].)

Additionally, Smith discloses: "For example, the funding platform 108 (after receiving verification from a player) may electronically initiate a funds transfer from the financial institution 116 by communicating an account number, amount to be transferred, authorization information, etc. . . . with a server or other device of the financial institution." (E1005, [0039].) Smith therefore acknowledges that which would be common sense to a POSA – a financial institution has a computing system that maintains a balance of funds. A POSA would understand and immediately envisage that these servers at the financial institution maintain the balance of the funds at the financial institution. Indeed, claim 15 of Smith even states that "one or

more communications devices are in communication with a financial institution's server to communicate transfer instructions to transfer funds from the funding account to the gaming establishment.” The financial institution’s server must maintain the funds in order for them to be transferred. And, of course a POSA would understand that a server comprises a computer system. Indeed, Smith acknowledges that servers can have “one or more processors,” (E1005, [0043], claim 9) and “one or more storage devices,” (E1005, claim 9).

124. Even if Smith did not expressly disclose an issuer processor computing system, in my opinion, it would be obvious over Smith. In particular, as discussed in the “Background of the Technology” above, computerized systems for electronic funds were well known before the ‘708 Patent. Moreover, Smith expressly discloses a “communication device” 316 within funding platform 108 which communicates with the financial institution via “Link 1.” (E1005, Fig. 3, [0045]-[0046]). Moreover, the “communication device” 316 is a “hardware interface[] that allow the funding platform 108 to communicate with other servers or devices” “[f]or example, a communication device 316 may be a network interface card.” (*Id.*, [0045]). In light of this background knowledge of the art and the express disclosures of Smith, in my opinion, A POSA would immediately realize the benefit of a financial institution delegating the processing of fund transfer requests to an issuer processor computing system, and therefore would be motivated to use one.

- g. [1.6] instructing, by any of the one or more computing devices, the issuer processor computing system to decrease the balance of the stored value account; and instructing, by any of the one or more computing devices, the casino computing system to increase the balance of the gaming account.

125. Smith discloses instructing, by any of the one or more computing devices, the issuer processor computing system to decrease the balance of the stored value account; and instructing, by any of the one or more computing devices, the casino computing system to increase the balance of the gaming account.

126. As shown in Fig. 6 below, Smith teaches transferring funds from the stored value account 128 to the player's casino/gaming account 604. (*Id.*, [0085].)

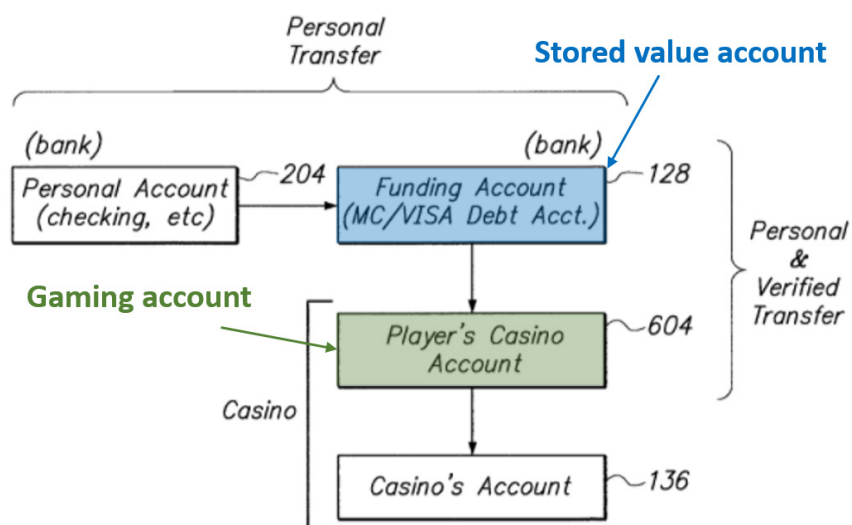
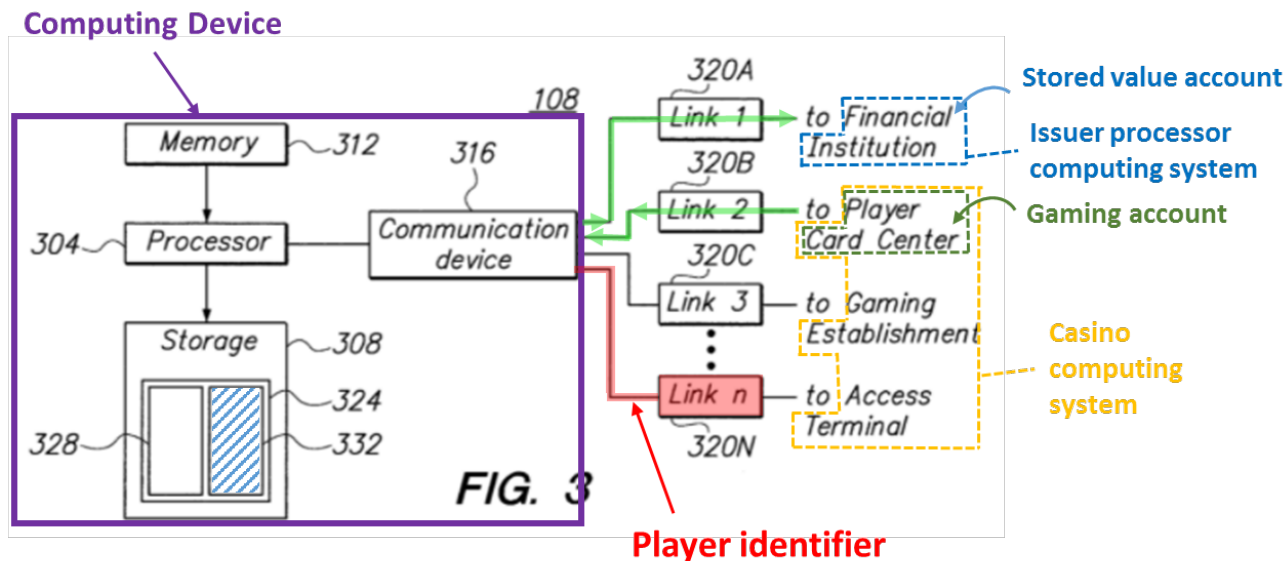


FIG. 6

127. I have annotated Figure 3 as a reference. As taught by Smith, a player swipes his or her player card at an access terminal (e.g., gaming device, gaming machine) which is part of the casino computing system (yellow) as I explained in

claim element [1.1] above. (E1005, [0077].) The gaming machine then “transmits the player card information to the funding platform” 108. (*Id.*) In other words, the player identifier (red) is transmitted to the funding platform (*computing device*) (purple).



128. The hardware in the funding platform, such as processor 304 and storage 308) identifies the funding account information 332 (blue) corresponding to a player’s stored value account. (E1005, [0049], [0078].)

129. Based on the identified funding account information 332, the funding platform 108 (*computing device*) then transmits instructions to the financial institution (or its issuer processor computing system) to transfer funds from the player’s stored value account 128 to the player’s gaming account. (E1005, [0044], [0045], [0077], [0079], [0085], claim 9.) I have annotated the Figure 3 above to show green lines indicating the flow of funds from the stored value account (blue)

to the gaming account (green). Such a flow of funds is explicitly shown in Smith's Figure 6 (below). "When desired, the player may transfer funds from the funding account 128 to the gaming establishment 136 so that he or she may use the funds to wager or purchase goods or services at the gaming establishment. In a preferred embodiment, the transfer of funds would typically occur between a player's funding account 128 and a player's casino or trust account 604, such as facilitated by the gaming establishment or its financial institution. Thereafter, the player may utilize the funds associated with their casino account 604 to place wagers." (E1005, [0085].)

130. In other words, Smith teaches that in order to make the transfer, and as illustrated in Fig. 3 above, a player swipes his or her player tracking card at an access terminal (gaming device), which is associated with the casino computing system (yellow). (E1005, [0077].) Smith's system transmits player identifier (red) to funding platform 108 (purple). (E1005, [0045].) The funding platform hardware (e.g., processor 304 and storage 308) then retrieves funding account information 332 (blue hashed) that identifies the player's stored value account, and transmits instructions to the financial institution (*issuer processor computing system*) to transfer funds from the player's stored value account 128 to the player's casino/gaming account 604/132. (E1005, [0044], [0045], [0077], [0079], [0085].) The transfer of funds from the financial institution to the player's casino/gaming

account 604/132 causes a decrease in the balance of the stored value account 128 and a corresponding increase in the balance of the player's gaming account 604. A POSA would immediately understand and envisage that this is performed by issuing instructions (i.e. "instructing") the issuer processor computing system and the casino computing system to change the respective account balances as claimed.

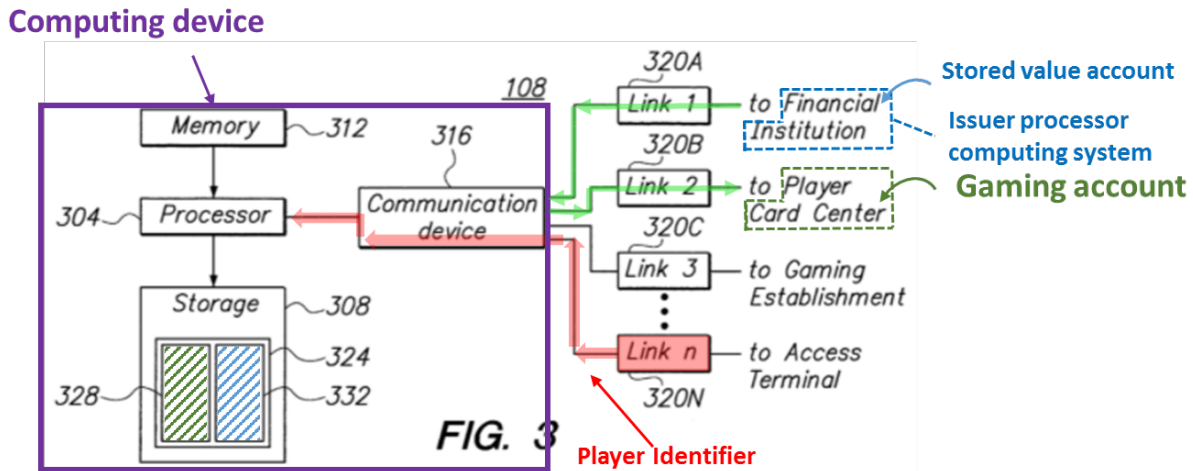
3. Claim 2

- a. **[2.1] The computer-based method of claim 1, further comprising: receiving, by any of the one or more computing devices, a request to transfer a first amount of funds from the stored value account to the gaming account; and**

131. Smith discloses receiving, by one or more computing devices, a request to transfer a first amount of funds from the stored value account to the gaming account.

132. As explained in [1.1], [1.5], and [1.6] above, a request to transfer funds from the stored value account to the gaming account is initiated in Smith by swiping or scanning the card at the gaming machine: "The player card information may be read from a player tracking card and provided to the funding platform via a kiosk, gaming machine computer, or other access terminal. For example, the player may swipe or scan his or her card at a card reader of a gaming machine, which device transmits the player card information to the funding platform." (E1005, [0077].) "The access devices may be configured to receive the player tracking account identifier and to request a fund transfer utilizing the funding account identifier."

(E1005, [0013].) This is shown in red below. As also explained in [1.1] and [1.5] above, the access terminal (e.g., gaming machine) is associated with a casino computing system.



133. After the request to transfer funds is made at the access terminal, “[f]unds may then be transferred from the funding account,” as shown at step 520 in Figure 5. (E1005, [0079].) “Typically this involves the transfer of a player selected amount of funds from his or her funding account to the gaming establishment, such as to a player account which is associated with or identifies the player, such as one associated with the player's player tracking account.” (E1005, [0082].) This fund transfer is shown in the green arrows above. Via link 320N, this fund transfer is communicated to and received by the funding platform (*computing device*) (purple), which “may function as a hub to orchestrate fund transfers between a player, various accounts, and the gaming establishment 136. This may be accomplished via communication between the funding platform 108 and the financial institution 116,

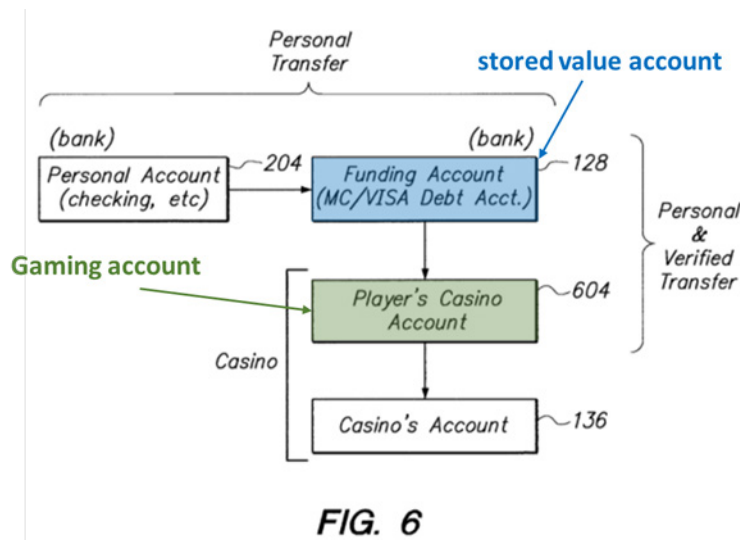
player card center 120, and gaming establishment 136.” (E1005, [0039].) Funding platform 108 (purple) receives the request via communication link 320N in order to retrieve funding account information 332 (blue hashed) that identifies the player’s stored value account from which the funds are transferred. (*Id.*, [0049].)

b. [2.2] initiating, by any of the one or more computing devices, a transaction to decrease the balance of the stored value account.

134. Smith discloses initiating, by one or more computing devices, a transaction to decrease the balance of the stored value account.

135. After receiving the funds transfer request explained above in claim element [2.1], the funding platform 108 (*computing device*) initiates a transaction with the issuer processor computing system to decrease the balance of the stored value account. For example, “the communication devices 316 may be used to execute fund transfers, such as by identifying a source account, a destination account, an amount to be transferred, and/or providing authorization for the transfers.” (E1005, [0045].) In particular, “the funding platform 108 (after receiving verification from a player) may electronically initiate a funds transfer from the financial institution 116 by communicating an account number, amount to be transferred, authorization information, etc. . . . with a server or other device of the financial institution.” (E1005, [0039].) Referring to Figure 6 below, when the funding platform initiates transfer of player selected funds from his/her stored value

account (blue) to his/her gaming account (green), the transfer requires a decrease in the balance of the stored value account by the financial institution's issuer processor computing system. (See claim element [1.6], *supra*; E1005, [0082])



4. **Claim 6:** The computer-based method of claim 1, wherein the gaming account is any of a wagering account, a casino level player account, and a metered gaming credit account.

136. Smith teaches wherein the gaming account is any of a wagering account and a casino level player account.

137. For example, Smith's gaming account 604 is also referred to as a "player's casino account" and a "player account" throughout the disclosure. (E1005, Figure 6; [0009]-[0010], [0013], [0015]-[0019], [0034], [0036], [0041], [0042], [0049], [0058], [0059], [0073]-[0078], [0085], [0086].) And this account is used for "wagering" at a gaming machine. (E1005, [0041].) These are common terms to refer to the same thing – an account at the casino that a player can access for wagering. These terms are known to be used interchangeably. For example, Exhibit

E1020 to Acers refers to the player's casino account as both a "gaming account" and "wagering account," which a POSA would understand are referring to the same thing. (1:15-52.)

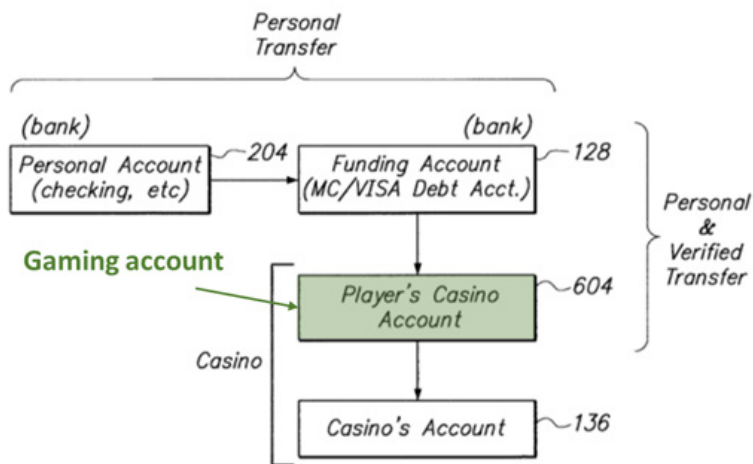


FIG. 6

5. **Claim 8:** The computer-based method of claim 1, wherein decreasing the balance of the stored value account and increasing the balance of the gaming account occurs in substantially real-time.

138. Smith discloses wherein decreasing the balance of the stored value account and increasing the balance of the gaming account occurs in substantially real-time.

139. For example, Smith teaches providing real-time confirmation that transaction from the stored value account to the player's gaming account has been received and/or completed:

The system and method of the invention may also include additional features. For example, in one embodiment, the funding platform 108

may be configured to send confirmation messages to a player each time the player requests a funds transaction. For example, if a player requests that funds be transferred from their funds account to their player tracking account, the funds platform may send a confirmation of the transaction by email, text message or the like, to the player's cell phone, PDA, computer or the like. ***This confirmation may be sent when a transaction request is received and/or completed, whereby the player is provided real-time confirmation information.*** (E1005, [0095].)

140. A POSA would understand and immediately envisage this disclosure to mean that the balance of the gaming account is increased and the balance of the stored value account is decreased in substantially real-time. This would make funds immediately available to a player for gaming while at the gaming machine. As explained above in claim elements [1.1] and [1.7], a player can swipe his or her card at a gaming machine to request a fund transfer. (*See, e.g.*, E1005, [0077].) Then, while the player is still at the gaming machine, the player can provide some verification information (e.g., “mother’s maiden name, name of his or her first pet, his or her father’s middle name, etc.”) to allow the funds to be transferred. (E1005, [0079]-[0080].) A POSA would therefore understand that the player would want his or her funds to be transferred while still at that gaming machine such that the funds can be gambled while still at the gaming machine. Otherwise, there would be no

particular benefit to being able to perform such a transaction while at the gaming machine as opposed to walking to an attendant at the casino cage, for example. If the player had to sit and wait at the gaming machine for an extended period of time (such as, for example, 5 minutes, 10 minutes, or 20 minutes, or longer) until his or her funds were transferred, the player would be frustrated and the entire purpose of being able to fund the player's casino account from the gaming machine would be lost. A POSA would therefore immediately envisage Smith's system as transferring funds from the stored value account to the gaming account in substantially real time.

141. Alternatively, it would have been obvious to a POSA to make the funds transferred from the stored value account to the gaming account available in substantially real time for at least the reasons I just gave. It would have been a matter of common sense to do so, for at least the reasons I just gave. For example, a POSA would not want a person to be frustrated by forcing him or her to wait at the gaming machine for a lengthy period of time until the funds were actually transferred and made available for wagering. This would cause frustration by the player, and potentially causing the player to stop gaming or leave the casino altogether, which results in a loss in revenue. Moreover, electronic fund transfers were widely known and available, as I explained in section VIII(C) above. I even explained in my U.S. Patent No. 5,902,983 (E1023) that Electronic Funds Transfers ("EFT") processing at the gaming machine itself "would result in higher revenues for casinos, as gaming

machine players would be able to remain at a given machine for an extended period of time without visiting a cashier or ATM machine.” (E1023, 1:65-2:17.) Using electronic fund transfers at the gaming machine to make funds available to the player was already well known, as I have detailed here; simply doing so in “real-time” adds nothing more than common sense and would have been obvious to a POSA.

6. Claim 9: The computer-based method of claim 1, wherein the player identifier is a casino-issued unique identifier tied to a loyalty program associated with a gaming environment.

142. Smith discloses wherein the player identifier that is provided to a gaming device is a casino-issued unique identifier tied to a loyalty program of the gaming environment.

143. Smith discloses a casino *gaming environment*. (E1005, [0034]; Fig. 6.) A casino is a gaming environment, in that it is an environment in which games can be played. The title of Smith even refers to a “gaming environment.”

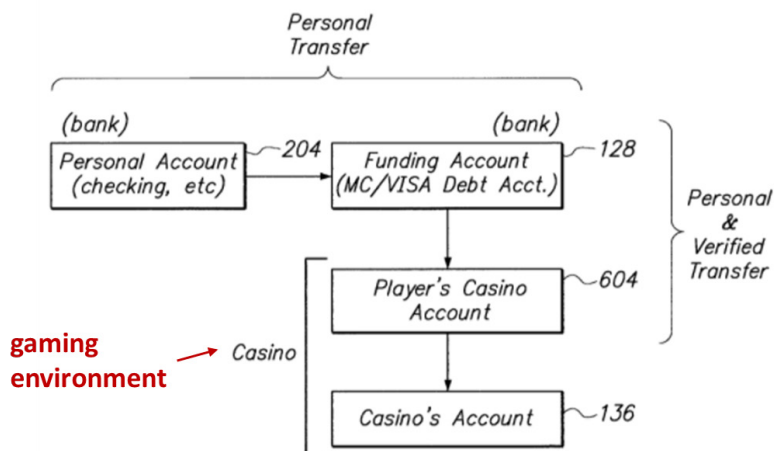
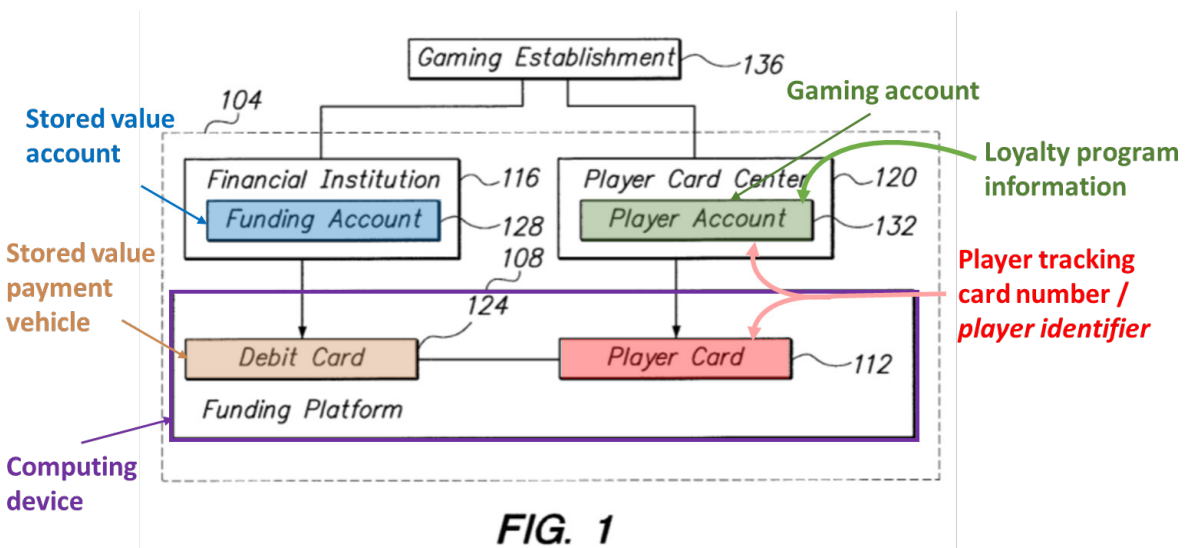


FIG. 6

144. As explained in claim element [1.1] above, and illustrated in Figure 1 below, Smith's player card center 120 issues player tracking cards 112 (red) with a player tracking card number for use by players at gaming devices to access their player casino/gaming account 132 (green) in the gaming establishment 136 (*gaming environment*). The player tracking card number is a unique identifier in that it identifies a particular gaming account which is associated with that number. If it were not a unique identifier, it would not identify a particular account assigned to that particular number, or might identify the wrong account. The player tracking card, unique identifier, and loyalty information is within and therefore associated with the gaming environment (e.g. it tracks a player's activity for a particular casino, not unrelated establishments).



145. Using their player tracking card 112, players accumulate rewards such as player points, and redeem such points for prizes via their player tracking card 112.

(Id.)

A player card center 120 may provide player tracking accounts for players and gaming establishments. The player card center 120 may be its own entity or may be part of a gaming establishment. In one or more embodiments, the player card center 120 may issue player tracking cards 112 for use by players in accessing their player accounts at a gaming establishment. For example, players may accumulate rewards such as player points and redeem such points via their player tracking card 112. A player may be eligible for various prizes through their participation and/or use of a player tracking card 112 at a gaming establishment. In addition, it is contemplated that a player may access a funding account he or she has at the gaming establishment using the player tracking card.

146. A POSA would understand and immediately envisage this disclosure of Smith to be a loyalty program of the gaming environment, and thus the player identifier associated with Smith's player tracking card is a casino-issued unique identifier tied to Smith's loyalty program. As I described above in Section VIII(A), it has been common knowledge for decades that player tracking within a casino is

integrally tied with loyalty programs. It was common knowledge that using a player tracking card allows the casino to provide various benefits and comps to the player as the player wagers in the casino. These loyalty programs, also known as “slot clubs,” are entities in the casino that collect customer data and delivery loyalty program benefits for casino customers. (E1024, page 1.) The benefits associated with using the player tracking card do not need to be in the form of comps untethered to the player tracking card itself; rather, most casino comps are issued via the player tracking card itself. (*Id.*, page 22.) As the player uses his or her player tracking card (or loyalty card) in the casino, the casino can provide certain benefits, including, but not limited to, earned points redeemable for same-day cash back, slot credits, comps (e.g., meals, show tickets, hotel stay discounts, etc.), free play offers awarded to the player’s gaming account, and direct mail offerings. (*Id.*, page 23.) A POSA such as myself would understand immediately envisage Smith’s disclosure that “players may accumulate rewards such as player points and redeem such points via their player tracking card 112” to refer to a loyalty program of the gaming environment.

147. Even if Smith did not expressly disclose a loyalty program, implementing a loyalty program in Smith would be obvious. As discussed in the “Background of the Technology,” loyalty programs were well-known and long-standing in the field of casinos, and it would be obvious to implement them in any casino system, especially Smith’s given its express disclosure of player tracking and

accumulating points / awards. Moreover, it would be obvious to implement such a system using the player identifier such that the player identifier is a casino-issued unique identifier tied to a loyalty program associated with a gaming environment. In particular, a POSA would immediately recognize that a casino would need a single identifier for all information relating including the tracking / reward information disclosed in Smith and any other aspects of the loyalty program applicable to that player.

7. Independent Claim 11

a. **[11.0] A computer-based method of funding an account associated with a player, comprising:**

148. Smith teaches a computerized method of gaming and funding a player account. (*See* Claim [1.0].) Smith's method uses a computer in the form of funding platform 108 to "function as a hub to orchestrate fund transfers between a player, various accounts, and the gaming establishment 136." (E1005, [0039], Title, Abstract, Figs. 2-3 and 6.)

b. **[11.1] receiving, by a transaction facilitator computing system, a load request, wherein the load request comprises a request to load player funds to a stored value account associated with a stored value payment vehicle,**

149. Smith discloses receiving, by a transaction facilitator computing system, a load request, wherein the load request comprises a request to load player funds to a stored value account associated with a stored value payment vehicle.

150. As illustrated in Fig. 6 below, Smith discloses loading player funds from the player's casino/*gaming account* 604 (green) into his/her *stored value account* 128 (blue). (E1005, [0093]-[0094], Fig. 6; Claim [1.4].) The casino may deposit a player's winnings into the player/gaming account 604/132, and the "the player might transfer the funds from their player account [604] to their debit account [128]²." (E1005, [0093].)

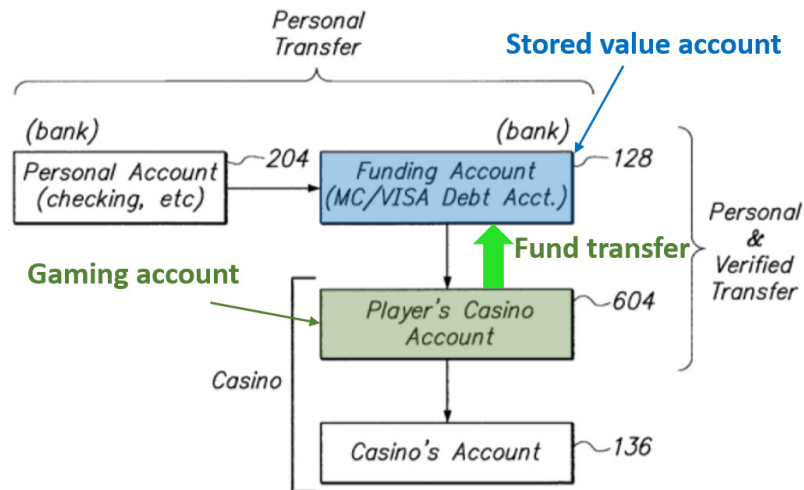
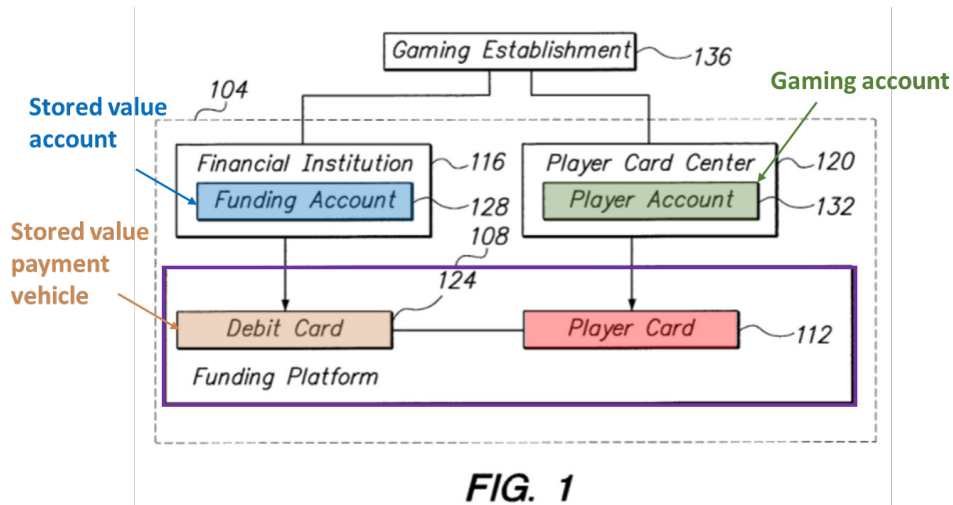


FIG. 6

151. As shown in Fig. 1, the player's casino/gaming account 604/132 is part of player card center 120. (E1005, [0034], [0073].) Player card center 120 is also shown in Fig. 3 below as part of Smith's casino, which also includes gaming

² As explained in claim element [1.4] above, the reference to "debit account" is the stored value account 128. (See also Smith's Fig. 6 referring to funding account 128 as "debit acct.")

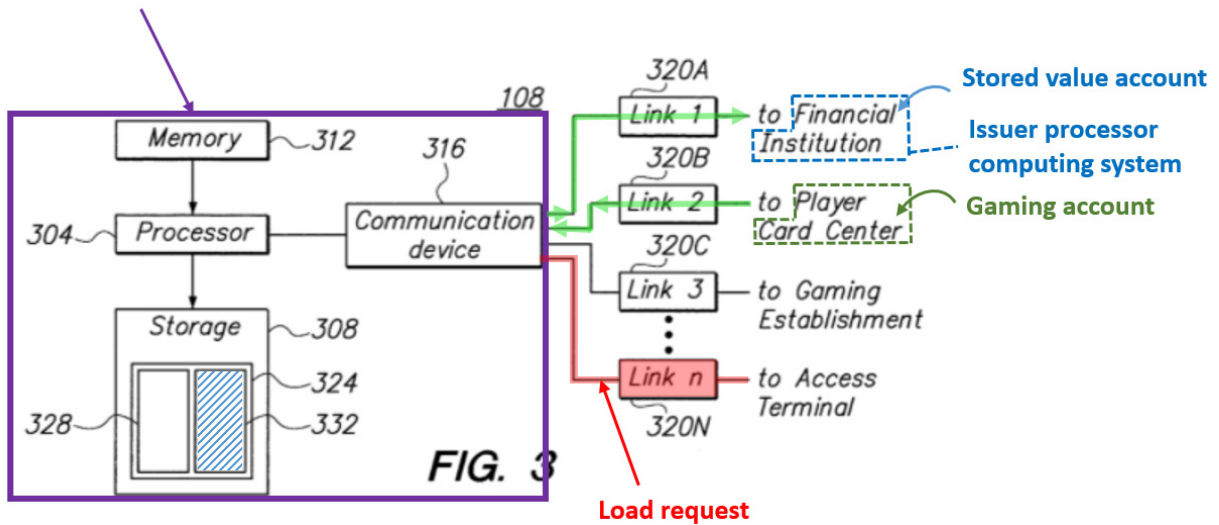
establishment and access terminals (i.e., kiosk and gaming machine computers).
(E1005, [0037], [0077].)



152. For the reasons in claim elements [1.4] and [1.5] above, and as shown in Fig. 1 above, Smith’s *stored value account* 128 (blue) is associated with a *stored value payment vehicle* 124 (brown).

153. As shown in Fig. 3 below, Smith teaches that a player initiates the *load request* to transfer a player’s funds by swiping or scanning his or her card at a card reader of an access terminal, which can be a kiosk or gaming device. (See Claim elements [1.4], [2.1]; E1005, [0077], [0093]-[0094].)

Transaction facilitator computing system



154. As shown in Fig. 3 above, Smith’s funding platform 108 (purple) is a *transaction facilitator computing system* in that the funding platform 108 quite literally is a computer system that facilitates transactions. Smith teaches “the funding platform 108 may function as a hub to orchestrate fund transfers between a player, various accounts, and the gaming establishment 136. This may be accomplished via communication between the funding platform 108 and the financial institution 116, player card center 120, and gaming establishment 136.” (E1005, [0039].) (See Claim 1.6, *supra*; E1005, [0039], [0045], [0046].) Funding platform 108 communicates with other servers or devices to transfer funds from a “source account” (*player’s casino/gaming account*) to a “destination account” (*stored value account*). (*Id.*, [0045].)

155. Smith thus discloses that a player sends a load request to transfer player funds to a stored value account to the transaction facilitator computing system, which in turn receives the load request. (*Id.*)

- c. **[11.2] wherein the stored value account has a balance amount that is maintained by an issuer processor computing system;**

156. Smith discloses (and suggests / renders obvious) this element for the same reasons as element [1.5] in Claim 1. Smith's funding account 128 has a balance when funds are in the account. Even when funds are not in the account, the balance would be zero.

- d. **[11.3]receiving, by the transaction facilitator computing system, player funds information, wherein the player funds information comprises at least a total value of the player funds;**

157. Smith discloses receiving, by the transaction facilitator computing system, player funds information, wherein the player funds information comprises at least a total value of the player funds.

158. Smith teaches that fund transfers from the player's casino/gaming account 604/132 to the player's stored value account 128 are received by the communication device 316 of the funding platform 108 (*transaction facilitator computing system*) for "identifying a source account, a destination account, an amount to be transferred, and/or providing authorization for the transfers." (E1005, [0045], Fig. 3.)

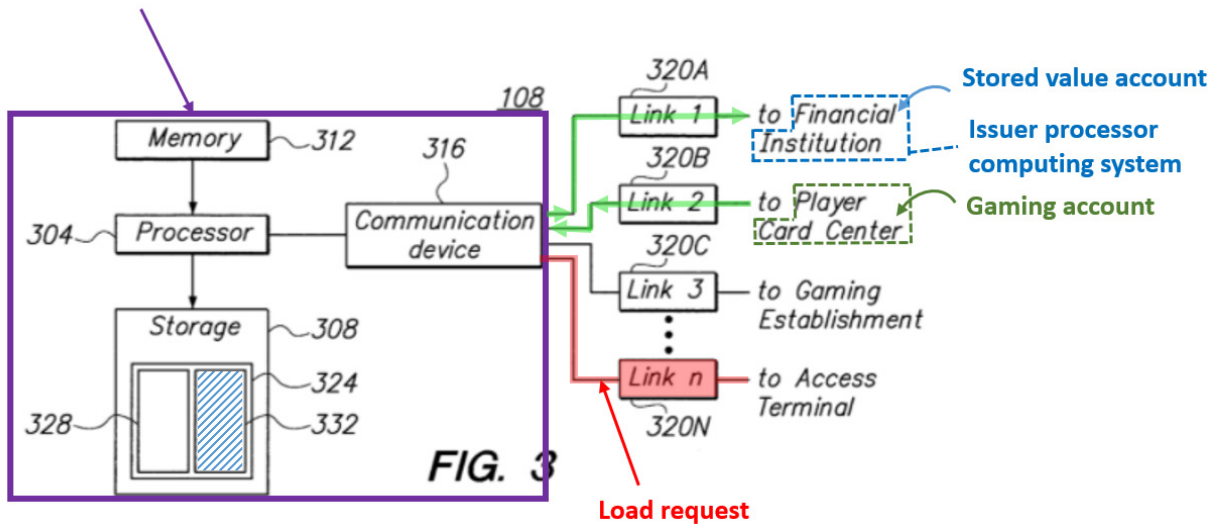
159. Whatever the amount to be transferred is can be any amount of funds – even the total amount of winnings won by the player. For example, Smith teaches that when a player transfers winnings from their player casino/gaming account 604/132 to their stored value account 128, the player can transfer *all* of those winnings: “a player might win \$1000 at a casino and transfer those funds to their debit account” and “then use that card to buy \$1000 in clothing at a retail store.” (E1005, [0093], [0094].) The amount to be transferred (\$1000 in this example) is *player funds information*, including the *total value of the player funds* to be transferred.

- e. **[11.4] instructing, by the transaction facilitator computing system, the issuer processor computing system to increase the balance amount of the stored value account based on the total value of the player funds.**

160. Smith discloses instructing, by the transaction facilitator computing system, an issuer processor computing system to increase the balance amount of the stored value account based on the total value of the player funds.

161. Below I show an annotated Figure 3 again, where the green arrows represent the direction of fund transferring, i.e., from the player card center (which provides the gaming account) to the financial institution (stored value account).

Transaction facilitator computing system



162. Smith teaches that after receiving player funds information, funding platform 108 (*transaction facilitator computing system*) (purple) communicates via link 320A (Link 1) to the financial institution (blue dotted), which provides the stored value account 128. (E1005, [0033], [0046], Figs. 1, 3, 6.)

163. And regarding Smith’s “Financial Institution” being a stored value account having an *issuer processor computing system*, see claim element [1.5] above. POSA would understand and immediately envisage that Smith’s financial institution has a server and computer system to receive communications to increase a balance of the associated stored value account. For example, Smith teaches communicating with a financial institution’s server:

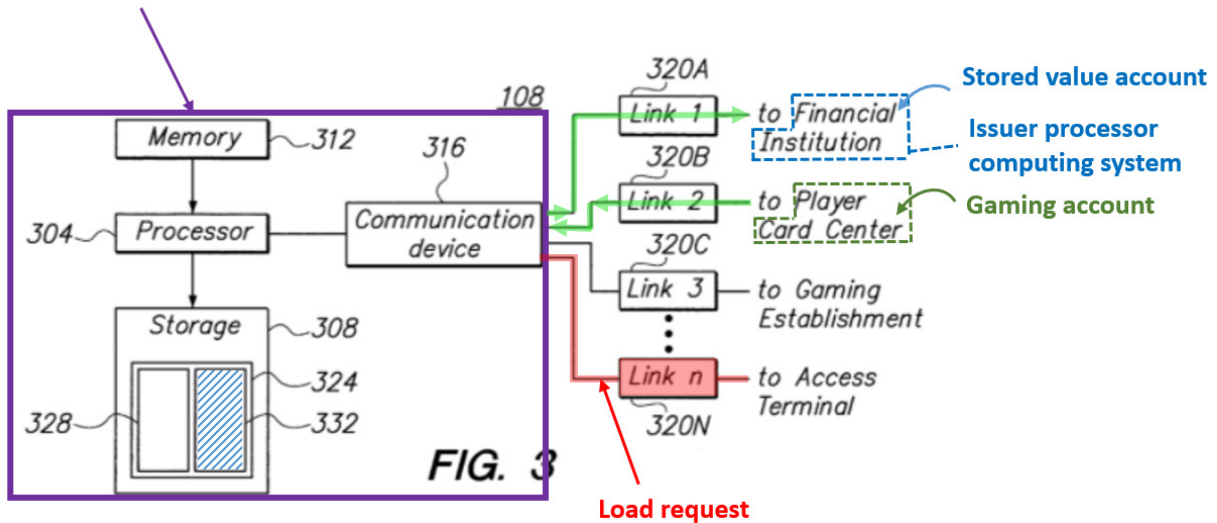
[T]he funding system may comprise a funding server configured to provide funds to a gaming establishment. The funding server may comprise one or more communications devices configured to receive a funding account

identifier and a player account identifier. The funding account identifier identifying a particular funding account and the player account identifier identifying a particular player account. The communications devices may be in communication with a financial institution's server to communicate transfer instructions to transfer funds from the funding account to the gaming establishment. (E1005, [0015].)

Additionally, Smith discloses: “For example, the funding platform 108 (after receiving verification from a player) may electronically initiate a funds transfer from the financial institution 116 by communicating an account number, amount to be transferred, authorization information, etc. . . . with a server or other device of the financial institution.” (E1005, [0039].) Smith therefore acknowledges that which would be common sense to a POSA – a financial institution has a computing system that maintains a balance of funds and receives communications to increase a balance of funds. A POSA would understand and immediately envisage that these servers at the financial institution must have the disclosed server and a computer system. Indeed, claim 15 of Smith even states that “one or more communications devices are in communication with a financial institution's server to communicate transfer instructions to transfer funds.” And, of course a POSA would understand that a server can be or include a computer system. Indeed, Smith acknowledges that

servers can have “one or more processors,” (E1005, [0043], claim 9) and “one or more storage devices,” (E1005, claim 9).

Transaction facilitator computing system



164. Finally, as explained in [11.1] above, Smith teaches loading player funds from the player’s casino/gaming account 604 into the stored value account. (E1005, [0093], Fig. 6.) For example, as shown in Fig. 6 below, the casino may deposit a player’s winnings to the player/gaming account 604, and the player may transfer player funds from their player/gaming account to their stored value account 128. (*Id.*) In particular, Smith states:

It will be appreciated that the system and method of the invention may be used to transfer funds from a casino to a player's account. In one embodiment, a player may win a wager, such as win a sports wager, obtain a winning slot or poker game outcome or the like, and be awarded winnings. In accordance with the invention, the casino may deposit the winnings to the player's player

account. The player may then re-wager those winnings. *Alternatively, the player might transfer the funds from their player account to their debit account.* (E1005, [0093].)

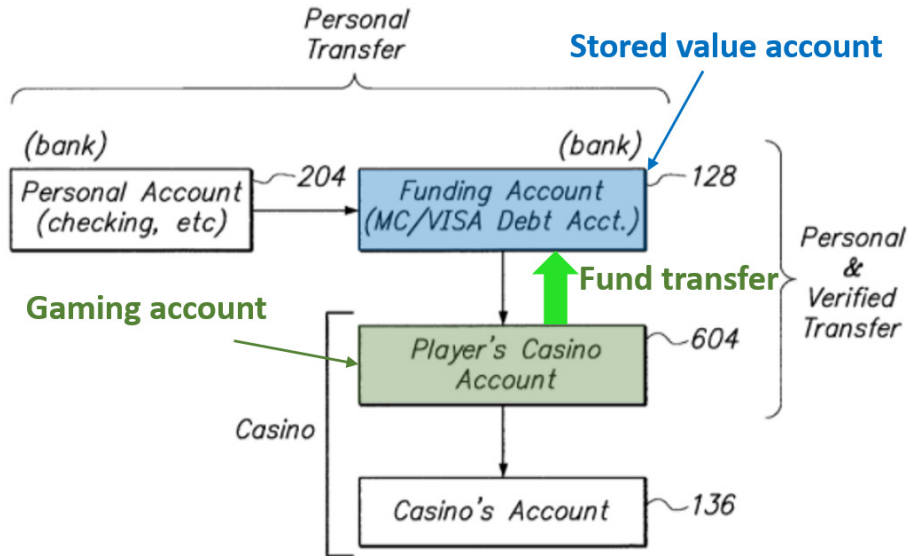


FIG. 6

When this transaction occurs, the balance of the stored value account necessarily increases by the total value of the player funds, *i.e.*, the amount of funds loaded into the funding account from the player's casino account. Whatever amount the player selects as the amount to transfer from the gaming account would cause a corresponding increase in balance of the stored value account. Indeed, a player cannot transfer more than he or she has available in the gaming account. Moreover, Smith teaches that the player can transfer all of his/her winnings: "a player might win \$1000 at a casino and transfer those funds to their debit account" and "then use that card to buy \$1000 in clothing at a retail store." (E1005, [0093], [0094].) The

amount to be transferred (\$1000 in this example) is the total value of the player funds to be transferred.

165. Even if Smith did not expressly disclose that the amount transferred in the amount of the “total value of the player funds,” it would be obvious to a POSA to use Smith’s system to transfer the “total value of the player funds” because a player “cashing out” at a casino is a well-known, long-standing and fundamental practice in casino operations that ensures that players obtain their winnings at the end of a visit to the casino.

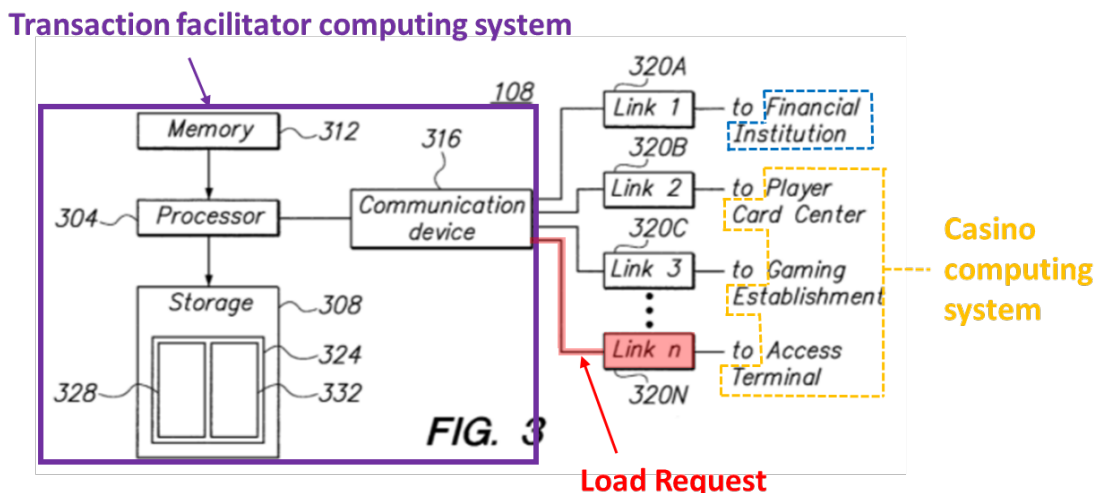
8. Claim 12: The computer-based method of claim 11, wherein the load request is received from a computing system that is associated with any of a casino cage, a casino table game, a gaming device, a kiosk, a casino pit, a casino sports book, and an online casino.

166. Smith discloses wherein the load request is received from a computing system is associated with any of a casino cage, a casino table game, a gaming device, a kiosk, a casino pit, a casino sports book, and an online casino.

167. As explained in limitations [1.3], [2.1] and [11.1], Smith teaches that a player initiates a load request to transfer a player’s funds by swiping or scanning his or her card at a card reader of an access terminal. (E1005, [0077], [0093]-[0094]). Also, Smith defines “access terminal” as including a “gaming machine computer,” which a POSA would understand to be *a computing system that is associated with any of a gaming device ...*, as claimed. (E1005, [0045], [0046], [0077]). Thus,

a load request in Smith ultimately originates from the access terminal, which satisfies this limitation.

168. Alternatively, as explained in Claim element [1.2], and as depicted in Fig. 3, a POSA would understand and immediately envisage that the access terminal is part of the casino computing system, and the load request necessarily is received from the casino computing system. For example, Smith’s casino computing system, illustrated in Fig. 3 below, is associated with the player card center, gaming establishment and access terminals. (See claim elements [1.2], [11.1], above.) Smith defines “access terminal” as including “a kiosk, gaming machine computer, or other” device that can allow the player to swipe or scan his/her card. (E1005, [0045], [0046], [0077].) Thus, Smith’s “access terminal” discloses a “gaming device” which can be the origin of a “load request.”



169. A POSA would also immediately envisage that the gaming establishment and “other” devices referenced by Smith include a casino cage, a casino table game, a casino pit, a casino sports book and an online casino. These are (and have been) very common items in a casino that are associated with or include computer systems for handling various tasks. For example, it is fundamental in a casino setting that a casino pit (i.e., an area of the casino which typically includes tables for Blackjack, Craps, Roulette, and other games) includes a “pit boss” who supervises the entire pit and performs various tasks on a computer that communicates with the casino computing system. It is also fundamental in a casino setting that a casino cage includes cashiers that work on computer systems for handling money and communicating with the casino computing system. The casino cage attendant can perform fund transfers. Also, as explained in claim element [1.2] above, a casino computing system would be obvious over Smith and the background knowledge of a POSA. Because the load request in Smith originates from the access terminal / gaming device which is part of the casino computing system, Smith’s transaction facilitator computing system receives the load request from a computing system (i.e. the casino computing system) that is associated with a gaming device (i.e. the access terminal).

9. Claim 15: The computer-based method of claim 11, wherein the player funds comprise player-sourced funds tendered to the casino.

170. Smith discloses wherein the player funds comprise player-sourced funds tendered to the casino.

171. For example, before player funds are transferred from the player's casino/gaming account 132 into the stored value account 128 described in claim element [11.1] above, a player can transfer wagered winnings or credits from the casino machine itself into the player's casino/gaming account. (E1005, [0058], [0091].) This has been commonly understood in the industry as "cashing out" of the gaming device; the player is done playing the game, and wishes to transfer the money on the device into his or her player account so that the player can move to another gaming machine, or stop wagering altogether. I explain this concept in Section VIII above.

172. Smith even describes the cashed out winnings as "credits": "It is noted that the account information may also include player tracking information, such as the number of points or other credits a player has earned from wagering or other activity at a gaming establishment." (E1005, [0058].) I note that this is the same sort of "player-sourced funds" described in the '708 Patent: "The player 914 can utilize any number of fund sources 940, including player-sourced funds 942 and jackpot funds 944... If the computing device 920 is part of a gaming device, the slot module can allow for the funding of the stored value account 916 through gaming credits (as

described above).” (E1002, 16:32-38.) Similarly, Smith’s reference to “credits” would be the representation of funds that the player can transfer from the gaming machine back onto the player’s gaming account.

10. Claim 16: The computer-based method of claim 11, wherein the player funds comprise a jackpot payout.

173. Smith discloses wherein the player funds comprise a jackpot payout.

174. Smith’s teaches that a player can “cash out” of winnings from the player’s casino account, wherein the winnings can be “a winning slot or poker game outcome or the like.” (E1005, [0093].) A POSA would have understood and immediately envisaged that a winning slot outcome can include jackpot winnings as hitting a jackpot is routine and standard in casino environments. I explain this in Section VIII above. And, one of the patents I refer to adequately explains the state of the prior art as of 1998, which includes a reference to simply increasing the player’s credits on the gaming machine by a value of the jackpot winning, which can then be transferred to the player’s gaming account (see claim 15 above). (“If the player should be the recipient of a jackpot or other award at the slot machine, the conventional credit meter on the slot machine increments to add the jackpot or award to the balance on the credit meter.”) (Exhibit E1020, 1:15-52.)

175. Even if Smith did not expressly disclose cashing out a jackpot in the same manner as other fund transfers, it would be obvious to a POSA. As discussed in the “Background of the Technology,” Jackpots were well-known practices in

Casino operations. Because Jackpots reflect winnings to a player, they raise the same issue as other winnings to a player and a POSA would be motivated to use the same mechanisms in Smith to transfer a jackpot as any other winnings, as such mechanisms are equally applicable to a jackpot.

11. Independent Claim 18

a. [18.0] A gaming system for a gaming environment, comprising:

176. Smith discloses gaming system for a gaming environment. See claim elements [1.0], claim 9 above. (E1005, [0092], Fig. 3.)

b. [18.1] a stored value payment vehicle issued to a player

177. Smith discloses a stored value payment vehicle issued to a player. See claim element [1.4] above.

c. [18.2] wherein funds accessible by the stored value payment vehicle are maintained in a stored value account and are accessible through a payment network;

178. Smith discloses wherein funds accessible by the stored value payment vehicle are maintained in a stored value account and are accessible through a payment network, for the same reasons as claim elements [1.3], [1.4], and [1.5] above.

179. Additionally, Smith's Fig. 6 shows stored value account 128 can rely on MasterCard or Visa, which are known to utilize payment networks. (E1005, [0033], Fig. 6.) Even though this figure uses "MC," a POSA would understand that

to mean “MasterCard” especially in the context of what is in box 128. A POSA would understand and immediately envisage that using a stored value payment vehicle such as debit card 124 to access funds stored in stored value account 128 would be “through a payment network” because of how debit cards operate. The ’708 Patent even admits this is known in the art: “The stored value payment vehicle 816 can be used for financial transactions at a variety of locations, such as an unaffiliated merchant 818 or an ATM machine 822. These transactions can use traditional open-loop payment network communications to seek authorizations from the issuer processor computing system 826 associated with the stored value payment vehicle 816, *as is known in the art.*” (E1002, 14:41-48.)

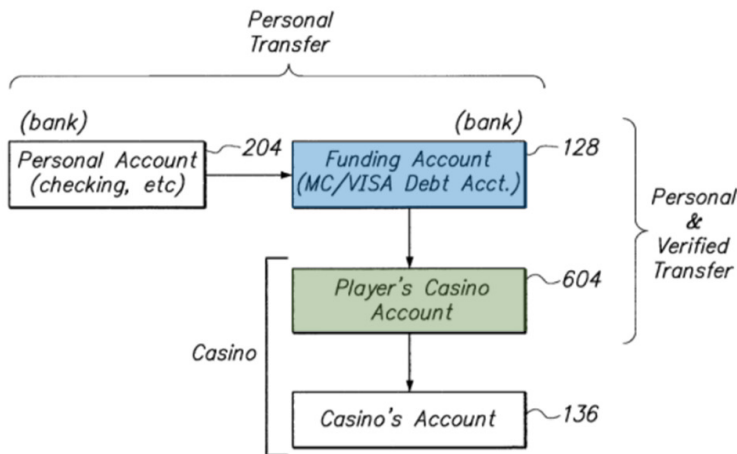


FIG. 6

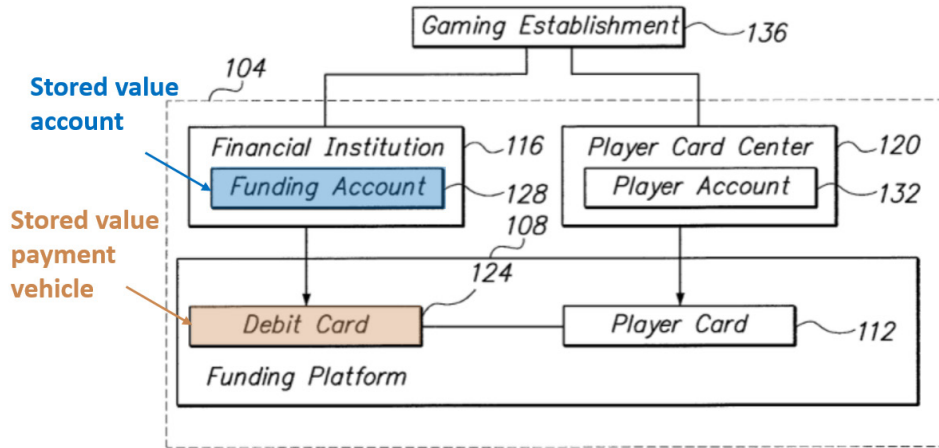


FIG. 1

180. Alternatively, use of a “payment network” would be obvious to a POSA and a POSA would be motivated to use a payment network because, as the ‘708 Patent acknowledges (as discussed above), they were known in the art and a POSA would be motivated, for the purposes of compatibility and support, to use the mechanisms provided by the major credit card companies (i.e. Visa, Mastercard) for fund transfers using those credit cards.

d. [18.3] a gaming account to hold funds for the player;

181. Smith discloses a gaming account for the same reasons as claim element [1.2]. The funds held in the “Player Account” / “Player’s Casino Account” are “for the player,” as “the player may utilize the funds associated with their casino account 604 to place wagers.” (E1005, [85]).

e. [18.4] a loyalty account assigned to the player

182. Smith discloses a loyalty account assigned to the player. See claim 9 above.

183. As stated with respect to claim 9, using their player tracking card 112, players accumulate rewards such as player points, and redeem such points for prizes via their player tracking card 112. (*Id.*)

A player card center 120 may provide player tracking accounts for players and gaming establishments. The player card center 120 may be its own entity or may be part of a gaming establishment. In one or more embodiments, the player card center 120 may issue player tracking cards 112 for use by players in accessing their player accounts at a gaming establishment. For example, players may accumulate rewards such as player points and redeem such points via their player tracking card 112. A player may be eligible for various prizes through their participation and/or use of a player tracking card 112 at a gaming establishment. In addition, it is contemplated that a player may access a funding account he or she has at the gaming establishment using the player tracking card. (E1005, [0034].)

184. A POSA would understand and immediately envisage this disclosure of Smith to be a loyalty program of the gaming environment, and that Smith's tracking accounts are loyalty accounts (such as an electronic ledger) assigned to the player and associated with the player by way of the player's tracking card 112 to store and update the balance of the player points in the player's loyalty account as

points are accumulated. The player identifier associated with Smith’s player tracking card is a casino-issued unique identifier tied to Smith’s loyalty program. As I described above in Section VIII(A), it has been common knowledge for decades that player tracking within a casino is integrally tied with loyalty programs. It was common knowledge that using a player tracking card allows the casino to provide various benefits and comps to the player as the player wagers in the casino. These loyalty programs, also known as “slot clubs,” are entities in the casino that collect customer data and delivery loyalty program benefits for casino customers. (E1024, page 1.) The benefits associated with using the player tracking card do not need to be in the form of comps untethered to the player tracking card itself; rather, most casino comps are issued via the player tracking card itself. (*Id.*, page 22.) As the player uses his or her player tracking card (or loyalty card) in the casino, the casino can provide certain benefits, including, but not limited to, earned points redeemable for same-day cash back, slot credits, comps (e.g., meals, show tickets, hotel stay discounts, etc.), free play offers awarded to the player’s gaming account, and direct mail offerings. (*Id.*, page 23.) A POSA would understand immediately envisage Smith’s disclosure that “players may accumulate rewards such as player points and redeem such points via their player tracking card 112” to refer to a loyalty program of the gaming environment.

185. A POSA would understand and immediately envisage that a loyalty program (such as explained above) must have a loyalty account associated with the player. The loyalty account can be an electronic ledger or the like that is associated with the player's tracking card 112 to store and update the balance of the player points as they are accumulated. In fact, Smith even refers to a "player tracking account" which is linked to and accessed by the player tracking card (E1005, [0034], [0059], [0076], and therefore a POSA would understand that this account would also allow for the tracking of "accumulate[d] rewards" in the form of "player points" and "prizes" accumulated via using the player tracking card 112." Without an associated account (e.g., ledger), the loyalty program would have no way of knowing how many points the player received or earned. Of course, a POSA would understand that the points must be tracked in an account for them to reach a level worth of a prize. This is commonplace in any casino player tracking system in the art, as I described in section VIII(A) above. A POSA would therefore understand that because the information that constitutes Smith's loyalty program (i.e. "accumulate[d] rewards" in the form of "player points" and "prizes") is associated with the player's player card and casino/gaming account (E1005, [0034], [0035]), Smith's player's casino/gaming account 132/604 thus provides tracking information and is accordingly a loyalty account assigned to the player. Therefore, either Smith's casino/gaming account 132/604 or Smith's "player tracking account" could be the

same account, or could be two separate accounts performing the same function – to track the wagering activity of the player to offer loyalty benefits. A POSA would understand that having two separate accounts or a single account for loyalty benefits would have been a design choice.

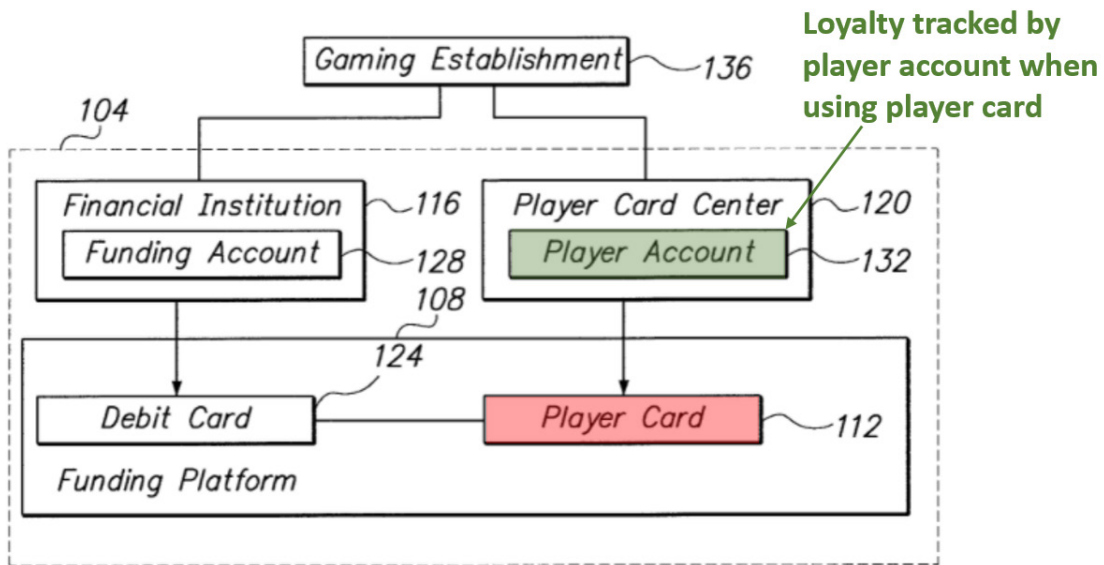


FIG. 1

f. [18.5] wherein the loyalty account is maintained by a customer management system,

186. Smith discloses wherein the loyalty account is maintained by a customer management system associated with the casino computing system.

187. The '708 patent provides that the casino management system provides the gaming account 688 and the player loyalty profile 612. (E1002, 11:21-29, Fig. 6.) The '708 patent also provides that player loyalty profile 612 may be maintained by a customer relation management engine or service or the casino gaming system.

(*Id.* at 10:30-37, Fig. 4.) Smith's player card center 120 provides the player's casino/gaming account 132 and the ability to track loyalty, and is associated with the casino computing system. (E1005, [0034].) This is the case in typical casinos, where the entity that provides and manages the player's gaming accounts is part of or is a casino computing system. I explained this in section VIII(A) above.

188. A POSA would understand and immediately envisage that Smith's player card center includes a customer management system as it serves to maintain Smith's loyalty program and was well known to perform the function of customer management used in nearly all casinos well before 2012. I discussed this in section VIII(A) above (¶¶40-58). Player tracking and loyalty systems are maintained by computer systems in order to electronically process and track the points earned by the player during wagering. Without a computer-based system, the loyalty account would have to be maintained by hand, which would include a casino operator following the player around as he/she wagers and watching the points that he/she accumulates, which would be preposterous.

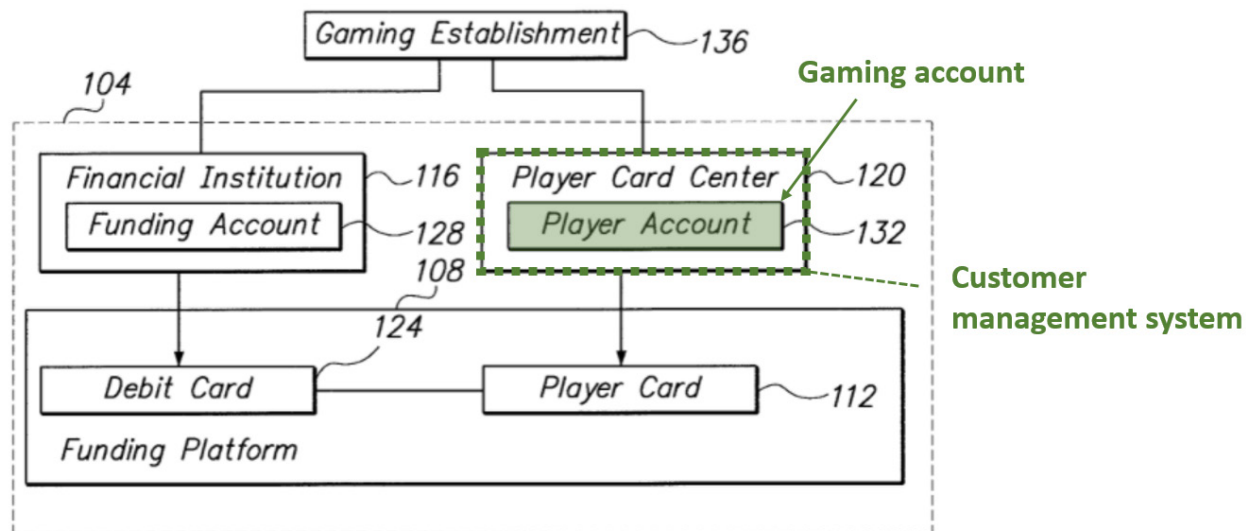


FIG. 1

189. If not expressly disclosed by Smith, it would have been obvious to a POSA to use the customer management system to track the points earned by the player during wagering (i.e., to maintain the loyalty account with a computer based system managing various aspects of casino operations). Such computer-based systems have been integral in player tracking since the inception of player tracking in at least the 1980s when EDT installed the first casino-wide online player tracking and slot accounting system, as I explain in section VIII(A) above. Similar player tracking systems have been in place since, and all of them to my knowledge include a computer-based system that tracks the player’s loyalty account (e.g., wagering history, points, comps, etc.) and which is integrated, as needed, with the other relevant systems of the casino. A POSA would be motivated to use a customer management system in the manner claimed by their wide-spread use and the desire

for integrating information into centralized systems and databases (as taught by Smith) by which various aspects of the customer relationship can be managed.

g. [18.6] wherein the loyalty account assigned to the player is associated with the stored value account; and

190. Smith discloses wherein the loyalty account assigned to the player is associated with the stored value account.

191. Smith's funding platform (also referred to as a "linking platform") 108 "associates a player's funding account 128 with his or her player account 132." (E1005, [0036].) The player account 132 includes the loyalty account information. (See claim elements [18.4], [18.5].) Therefore Smith discloses the loyalty account being associated with the stored value account.

192. Fig. 1 below shows how Smith's funding platform 108 associates the stored value account 128 (blue) with player casino/gaming account 132 (green) through stored value payment vehicle 124 (brown) and player tracking card 112 (red). (E1005, [0036]; see claim element [1.4] above.) Smith also teaches using the player tracking card 112 (red) to directly access player casino/gaming account 132 (green), which includes loyalty account information. (E1005, [0034], [0042]; claim elements [18.4], [18.5].) And, the player's funding account 128 (blue) and player casino/gaming account 132 (green) can be linked and retrieved using the same unique identifier provided by the player card 112 (red):

Account information 324 may comprise various data. For example, in one embodiment, the account information may include player account information 328 and funding account information 332. The account information 324 may also include data to associate or link the player account information 328 and the funding account information 332 such that one may be retrieved along with the other. For example, a particular player's player account information 328 and his or her funding account information 332 may be linked by storing each with the same unique identifier. Both accounts may then be retrieved using the unique identifier. In addition or alternatively, the account information 328,332 or an identifier thereof may be stored in the same row or column (or the like) of a database or other data storage format. For example, an account number for the player and funding accounts may be stored together in a database. In this manner, the player account information 328 can be retrieved along with the funding account information 332, or vice versa. (E1005, [0049].)

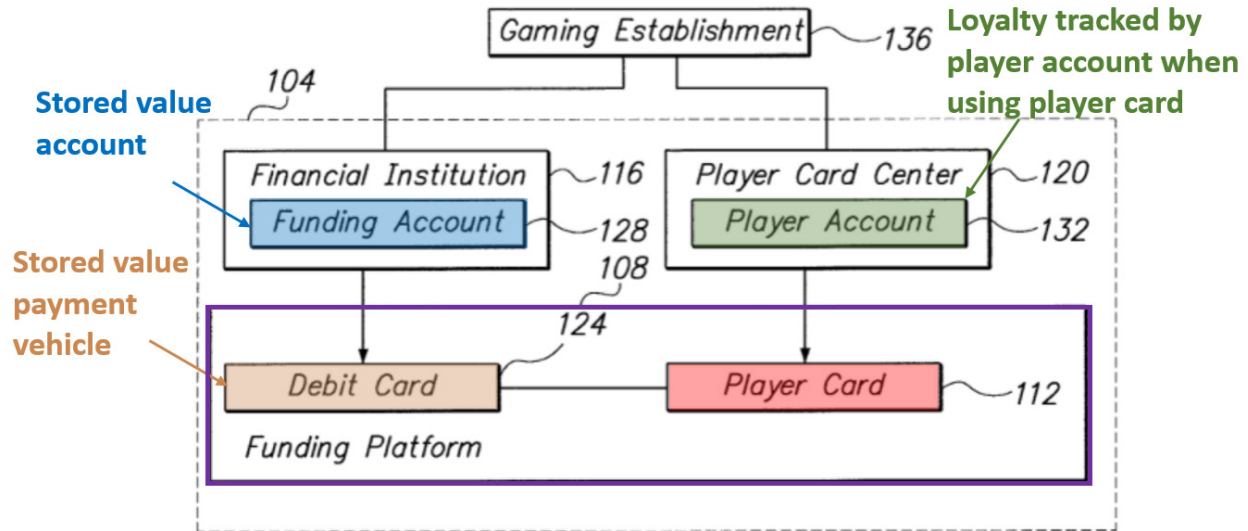
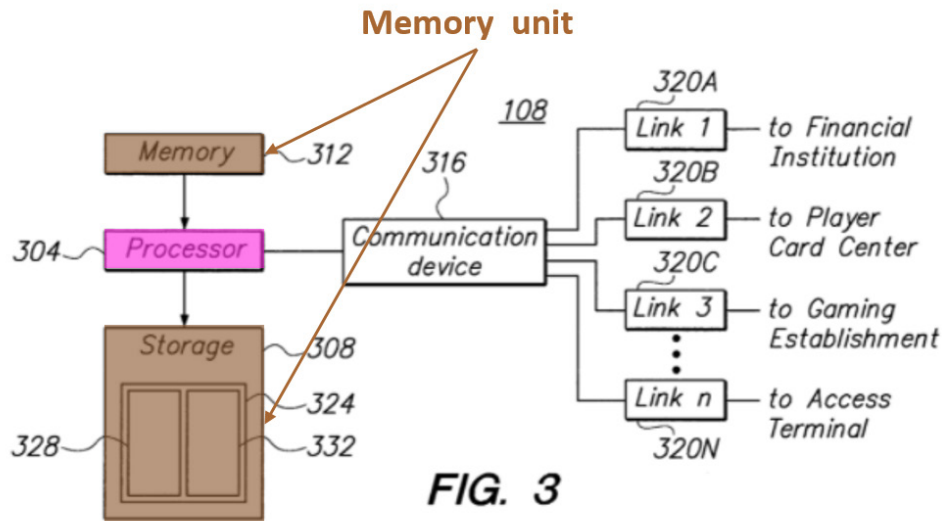


FIG. 1

- h. [18.7] at least one processor and non-transitory computer readable medium having instructions stored thereon which when executed by a processor cause the processor to:

193. Referring to Smith’s Figure 3 below, Smith discloses a funding platform 108 that includes a *processor* 304 (pink) in communication with *memory* 312 and *storage* 308 (brown) that are a non-transitory computer readable medium that executes instructions to provide the functionality of the funding platform. (E1005, [0043].) The instructions may be hardwired into the processors 304 and/or retrievably stored on a storage device 308 for execution by the processors. (E1005, [0044].) “Storage device 308 may utilized various data storage technologies (e.g., magnetic, optical, or flash storage).” (E1005, [0044].) “The memory 312 can be “RAM or cache memory.” (E1005, [0044].)



- i. [18.8] selectively cause the funds maintained in the stored value account to be decreased; and selectively cause the funds held by the gaming account to be increased.

194. Smith discloses selectively increasing and decreasing the balances of the stored value account and the gaming account for the same reasons as element [1.6] in Claim 1 and element [11.4] in Claim 11.

195. In particular, Smith teaches using funding platform 108 to transfer funds from stored value account 128 (blue) to player’s casino/gaming account 604/132 (green) (E1005, [0085]), utilizing a gaming machine, a kiosk, or a “home or work computer,” (E1005, [0077], [0090]). The transfer *selectively* causes the decrease of the funds in stored value account and increase of the funds in the gaming account because the “amount of fund” transferred is based on “a player *selected* amount of fund.” (E1005, [0082].)

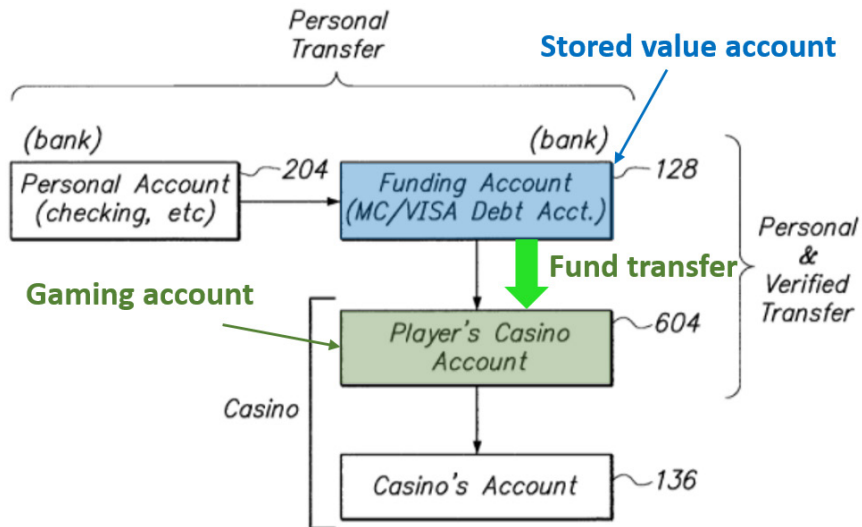


FIG. 6

196. In addition to transferring money from the funding account 128 (i.e., stored value account) to the player’s casino account 604/132 (i.e., gaming account), Smith also teaches the reverse: that “the player might transfer the funds *from their player account [604] to their debit account [128]*³.” (E1005, [0093].) Based on the context of Smith itself, a POSA would understand that the transfer of funds from the gaming account (green) to the stored value account (blue) would occur using the same requests made to transfer funds in the reverse direction; Smith recognizes this and provides no additional detail as to the mechanisms of transferring money from the gaming account to the stored value account as such disclosure would be

³ This reference to “debit account” is the stored value account 128. Funding account 128 can be a “debit account used anywhere a debit card would be accepted, even for purposes outside of casino wagering (i.e. grocery, retail store, hotel, show tickets, etc.).” (See also Smith’s Fig. 6 referring to funding account 128 as “debit acct.”)

duplicative of the requests made to transfer funds from the stored value account to the gaming account, except in the reverse direction. I illustrate the nature of moving funds in either direction from the funding account 128 (blue) to the gaming account 604 (green) with two dark green arrows:

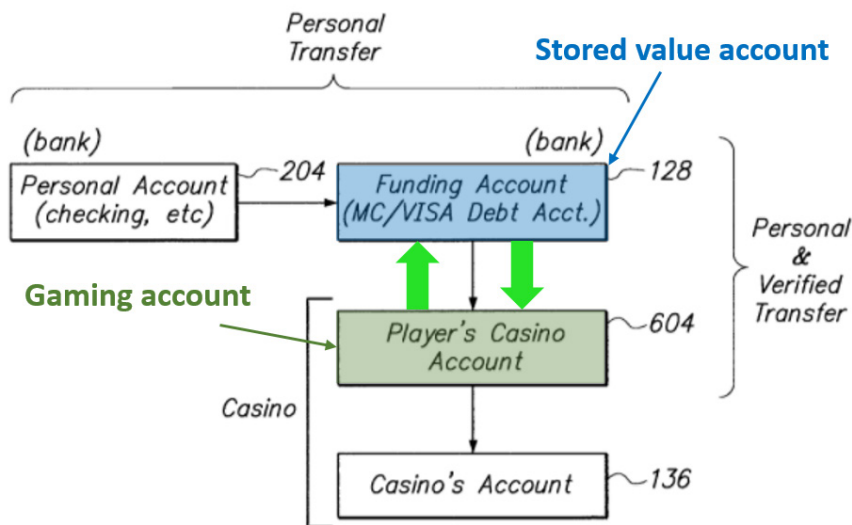


FIG. 6

12. **Claim 19: “The system for the gaming environment of claim 18, wherein the gaming account is any of a casino level player account, brick-and-mortar wagering account, race-and-sports wagering account, and an internet gaming wagering account.”**

197. Smith discloses that the gaming account is at least a “casino level player account” for the same reasons as I provided in claim 6 above. Additionally, because Smith’s casino is a physical environment where wagers can be made in person, Smith’s “player account” is also a brick-and-mortar wagering account.

13. Claim 20

- a. [20.1] The system for the gaming environment of claim 18, further comprising: a gaming device comprising means for receiving a player identifier,**

198. Smith teaches a gaming device comprising means for receiving a player identifier for the same reasons I discuss above in connection with limitation 1.1.

199. Moreover, Smith uses the same structure disclosed in the specification of the '708 Patent for performing this function. In particular, the '708 Patent discloses that “means for receiving a player identifier” includes a card reader in which a player card may be scanned or swiped. (E1002, 11:54-58) (“the particular type of input device 678 used to read the player identifier 670” can include “a magnetic card reader” or “an optical scanner”).

200. Smith’s gaming device uses the same structure for receiving a player identifier. In particular, Smith teaches using debit card or player tracking card at a card reader to access the player account 132 (which houses the loyalty account information): “a debit card and/or player tracking card could be used to provide account numbers and other account information to the funding platform 108, such as via a card reader or by manual input. By accepting account information from various sources, the funding platform 108 may associate the player account with the funding account, such as disclosed above.” (*Id.*, [0042].) Further, “the player may *swipe* or *scan* his or her card at a *card reader* of a gaming machine, which devices

transmits the player card information to the funding platform.” (*Id.*, [0077].) A POSA would understand Smith’s reference to “swip[ing]” a card in a “card reader” as referring to a magnetic card reader, and “scan[ing]” a card in a “card reader” as referring to an optical card reader.” (*See also* [0088], the “gaming machine might be configured with a magnetic stripe card reader”).

- b. [20.2] and wherein the non-transitory computer readable medium comprises instructions which when executed by a processor cause the processor to: receive a player identifier of the player; and**

201. Smith discloses this element for the same reasons as element [1.1] of Claim 1. A player may swipe his/her debit card and/or player tracking card to provide player card information that identifies the player, and such functionality is implemented by instructions stored in the non-transitory storage of the funding platform and executed by its processor. (*Id.*, [0042]-[0044], [0075], [0077].)

- c. [20.3] based at least partially on the player identifier, determine the stored value account that is linked to the loyalty account.**

202. Smith discloses based at least partially on the player identifier, determining the stored value account that is linked to the loyalty account.

203. The analysis regarding claim element [1.3] above shows how Smith teaches identifying a stored value account based at least partially on the player identifier. Claim element [18.6] shows how Smith teaches linking the loyalty account to the stored value account.

204. Also, Smith’s Figure 3 also shows storage 308 containing account information 324 that includes both “player account information 328 and funding account information 332.” (E1005, [0049].) The funding account information 332 includes information regarding the funding account 128, which contains the debit card. (E1005, [0033].) Moreover, “[b]oth accounts may then be *retrieved using the unique identifier*,” i.e. the player identifier discussed above. (E1005, [0049]). Additionally, Smith also discloses that “the account information may also include player tracking information, such as the number of points or other credits a player has earned from wagering or other activity at a gaming establishment,” i.e. loyalty account / loyalty program information. Any of this account information can be retrieved when the player swipes his player card. (E1005, *e.g.*, [0049], [0077].)

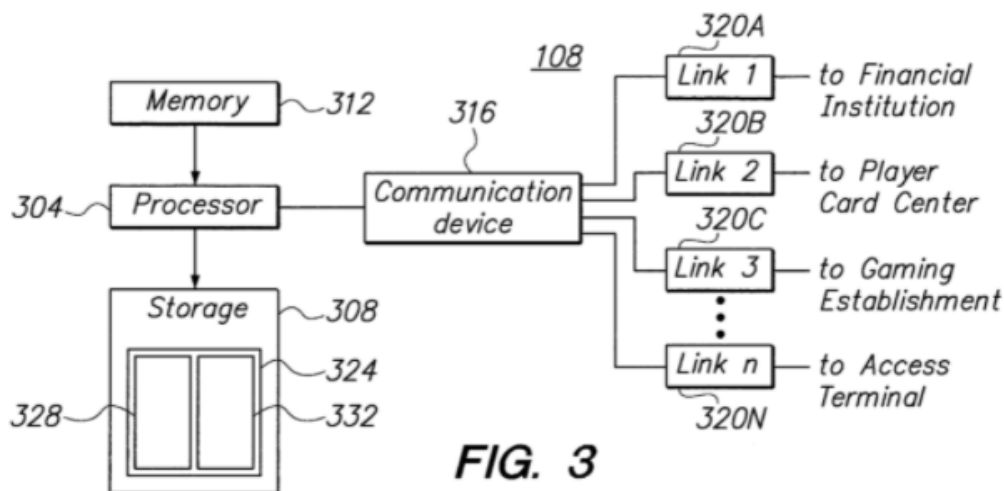


FIG. 3

205. Together, these disclosure show that Smith’s funding has instructions which, based at least partially on the player identifier, determine the stored value

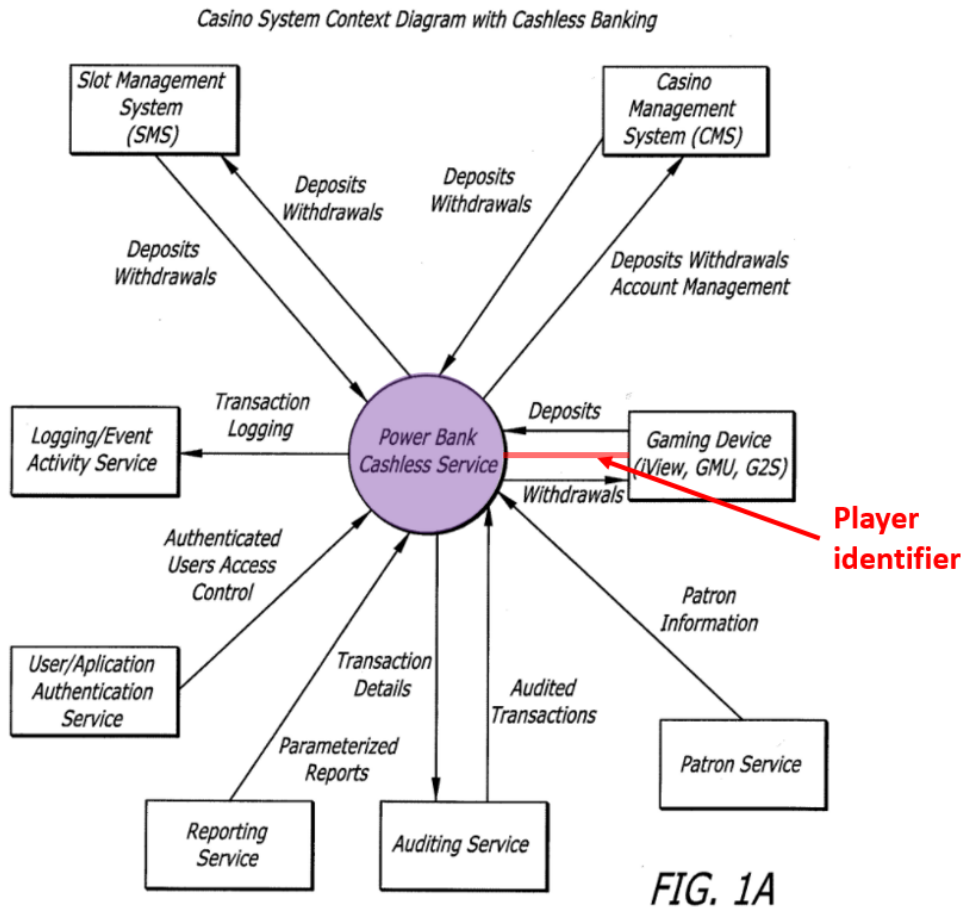
account that is linked to the loyalty account. (*See also* (E1005, [0012], [0016]-[0017], [0049]-[0058]).

XI. GROUND 2: CLAIMS 1, 2, 6, 8-12, 15-20 ARE OBVIOUS IN VIEW OF SOMMER

206. I have reviewed claims 1, 2, 6, 8-12, 15-20 of the ‘708 Patent. A POSA would have found these claims to be either disclosed by, or obvious over the teachings of U.S. Patent Publication No. 2008/0113776 (“Sommer”).

1. Overview of Sommer

207. Sommer is directed to a method for cashless gaming at a casino. (Exhibit E1006, Abstract.) Sommer teaches that the gaming industry had long embraced networking electronic gaming devices via a central computer with player cards equipped with a unique identifier that enables the casino to centrally track the player’s wagering activity. (*Id.*, [0003]). Sommer teaches the ability to link a player’s external personal financial accounts with the casino environment such that the player can, while at the casino, transfer money between the player’s casino account and the player’s external financial accounts. (*Id.*, Abstract, [0006].) The player can use their player card to initiate transfers. (*Id.*, [0022], [0028].)



208. Figure 1A is annotated above to help illustrate Sommer’s disclosed system. Sommer’s system utilizes one or more networked gaming servers (labeled as “Power Bank”, highlighted purple) to link the player’s personal financial accounts and the player’s casino account based on a player identifier on the player card. (*Id.*, [0028], [0029].) The transfer of the player identifier from the gaming device to the gaming server is shown in red. As is shown in Figs. 2 and 5 below, once identified, the player can (1) transfer funds from the player’s financial accounts (blue) to the player’s casino account (green), or (2) “cash out” by transferring funds from the player’s casino account (green) to the player’s financial accounts (blue). Fig. 2

shows a method of transferring funds from multiple accounts at financial institutions (blue) to a player account (green). (*Id.*, [0013].) Fig. 5 shows the reverse, a method of transferring funds from a player account (green) to multiple accounts at financial institutions (blue). (*Id.*, [0016].)

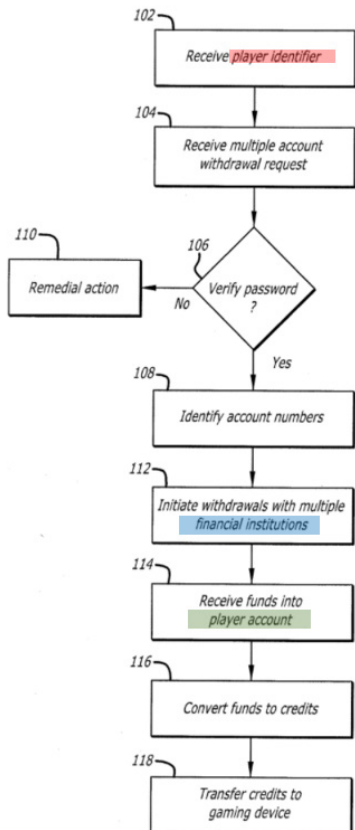


FIG. 2

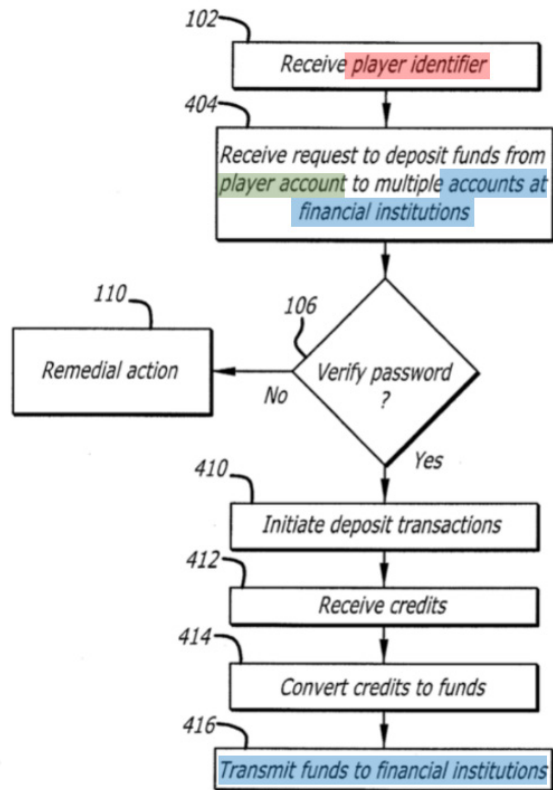


FIG. 5

209. Sommer’s gaming server stores account number and financial institution information related to the player identifier, so a table showing account balances (see Table 1, below) may be presented to the player. (*Id.*, [0030].) This table may be displayed on the gaming device. (*Id.*, [0038].)

TABLE 1		
Account Name	Balance	Withdrawal
Chase 1	\$1,000.00	\$ _____
Citibank 1	\$2,000.05	\$ _____
Wells Fargo 1	\$3,050.11	\$ _____
Total	\$4,050.16	\$ _____

210. While Sommer discloses transferring funds to and from multiple financial accounts (such as shown in Table 1), it is also clear that Sommer discloses transferring funds to and from a *single* financial account: “In a single request or transaction at the gaming device, the player can request funds to be transferred from *one or more* accounts at *one or more* financial institutions to their player account.” (*Id.*, [0030].) Also, a POSA would understand and immediately envisage that the ability to transfer funds to and from multiple accounts would include transferring funds to and from a single account. Of course, the system of Sommer would not be inoperable if the player only had a single account linked to the system. That single account would show up in the TABLE 1 above.

2. Independent Claim 1

- a. [1.0] A computer-based method of transferring funds between a stored value account and a gaming account, the method comprising:**

211. Sommer discloses computer-based method of transferring funds between a stored value account and a gaming account.

212. Sommer's system uses a *computer* based method for transferring funds. In particular, Sommer's system includes a Power Bank" gaming server with a processor, a memory, and a storage device. (E1006, *e.g.*, Fig. 1A, 1C, [0010]-[0015], [0027], all claims).

213. I further discuss Sommer's disclosure of transferring funds between a financial institution account (*stored value account*) and a "player account" (*gaming account*) in connection with limitations [1.2], [1.3] and [1.6] below. In particular, Sommer discloses fund transfers from the financial institution account to the player account (E1006, [0034]-[0036], [0069]-[0071]) and vice-versa

b. [1.1] receiving, by one or more computing devices, a player identifier of a player,

214. Sommer discloses receiving, by one or more computing devices, a player identifier of a player.

215. Regarding a player identifier, I have labeled that red in the Figure 1A above and Figure 2 below. Sommer teaches issuing a player identifier (red) to facilitate cashless gaming. (E1006, [0021].) Once registered, the player logs in to the electronic wagering system by presenting a player identifier to a gaming device, such as swiping a player card, entering an alphanumeric code via a keypad, using a biometric input device, or other input device. (*Id.*, [0022].) "By logging-in at the gaming device, the gaming device establishes a gaming session with the player based on the player's identifier." (*Id.*)

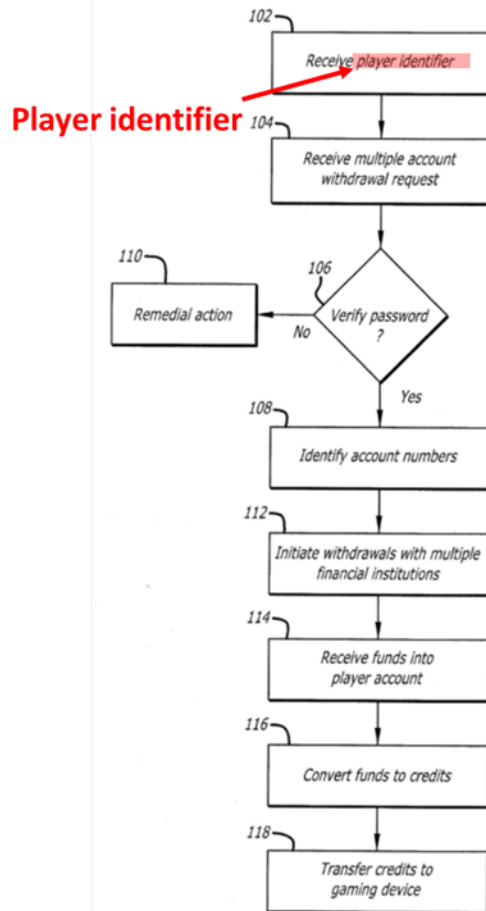
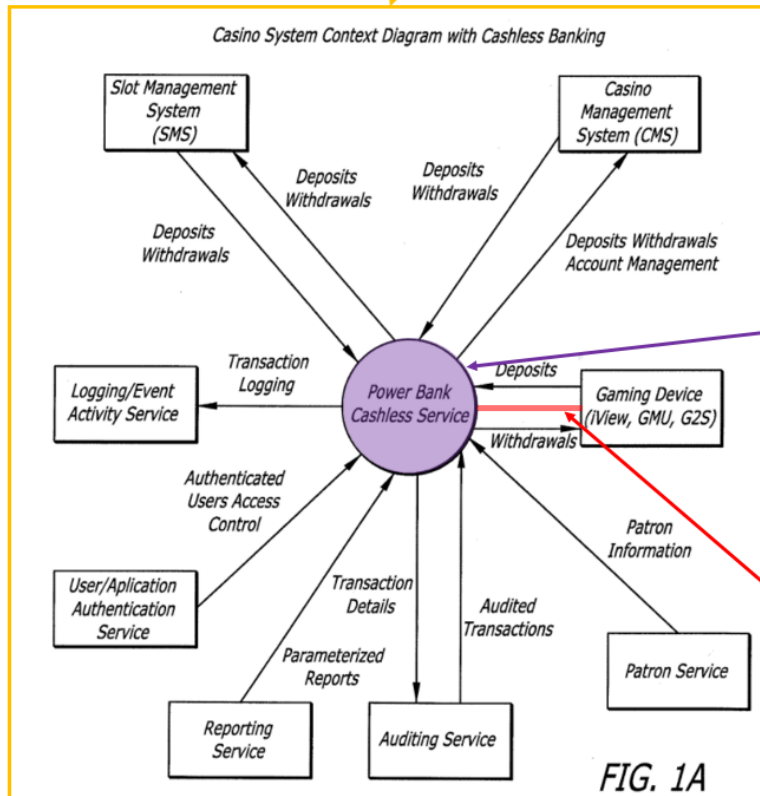


FIG. 2

216. Regarding one or more computing devices, Sommer’s gaming server (purple), labeled as “Power Bank”, is a **computing device**, i.e. it includes a processor, memory, and storage device. (E1006, [0005], [0027], Figs. 1A, 1C, claim 26.) In particular, Sommer teaches that the Power Bank is a gaming server. (E1006, [0005].) And of course, Sommer states the obvious, that a “server is a networked computer for providing other networked computers access to files, and/or peripherals. In general, a server will have a processor, a memory, and a storage device.” (E1006, [0027].)

Casino computing system

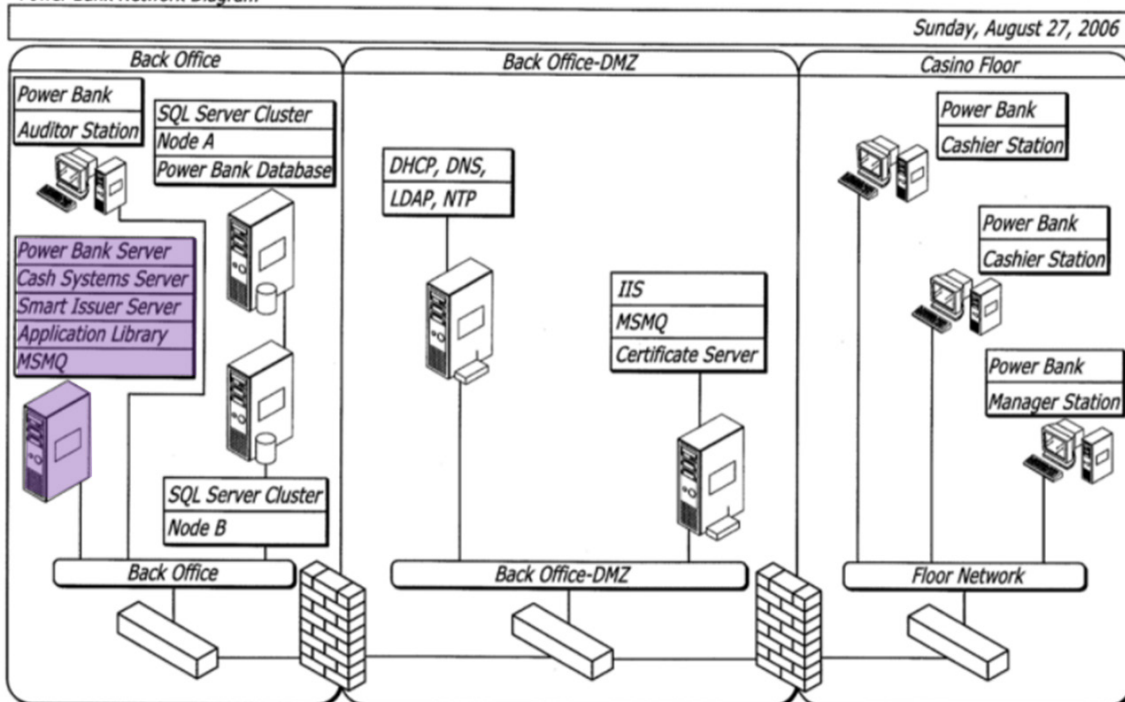


Computing device

Player identifier received from gaming device

Power Bank Network Diagram

Electronic Banking Network Diagram



217. This power bank server (*computing device*), controls deposits and withdrawals to and from the gaming device and gaming computing system. (E1006, [0042]-[0055], [0069]-[0071]; all claims). For example, the gaming server controls the methods shown in Figures 2 and 5. (*Id.*)

218. As shown in Figs. 1A and 2, Sommer's Power Bank gaming server (*computing device*) receives the player identifier (e.g. from the gaming device) (step 102), and monitors subsequent activity of the player at the gaming device based on the player identifier. (E1006, [0026].):

For tracking purposes, the gaming server receives the player identifier from the gaming device (step 102). The term receive refers to the gaming device being the recipient of a network communication from another device, e.g., the gaming server, whether directly or indirectly. Thus, the gaming server will be able to monitor subsequent activity of the player at the gaming device based on the player identifier.

- c. **[1.2] wherein the player identifier is associated with a gaming account having a balance maintained by a casino computing system,**

219. Sommer teaches wherein the player identifier is associated with a gaming account having a balance.

220. For example, Sommer teaches "Assuming the financial institutions approve the transactions of step 112, the funds are transferred to the gaming server,

more specifically into the player account (step 114). Typically, the player account is associated with the player identifier and resides on the gaming server, but may be stored on another server.” (E1006, [0035].) This player account can also be referred to as a casino-level player account, *i.e.*, a type of gaming account.

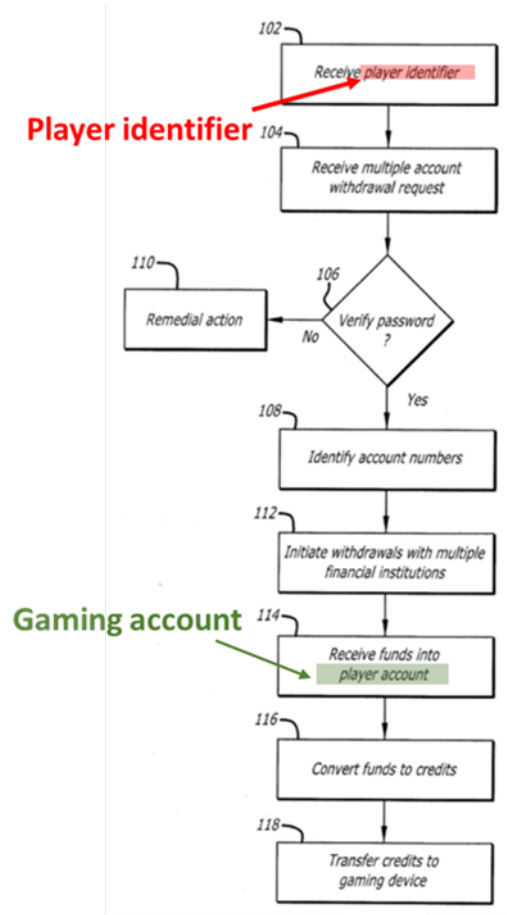


FIG. 2

221. The “player account” is a gaming account that resides on a gaming server in a gaming establishment, and allows the player to wager money therefrom. (E1006, [0025], [0035].) “Typically, the player account is associated with the player identifier.” (E1006, [0035].) Upon logging into the gaming device by presenting a

player identifier (e.g., swiping a player card) (E1006, [0022], the player may fund their player/gaming account. (E1006, [0028].) The gaming account would have a balance, which represents how much funds are stored in that account. The balance could even be zero.

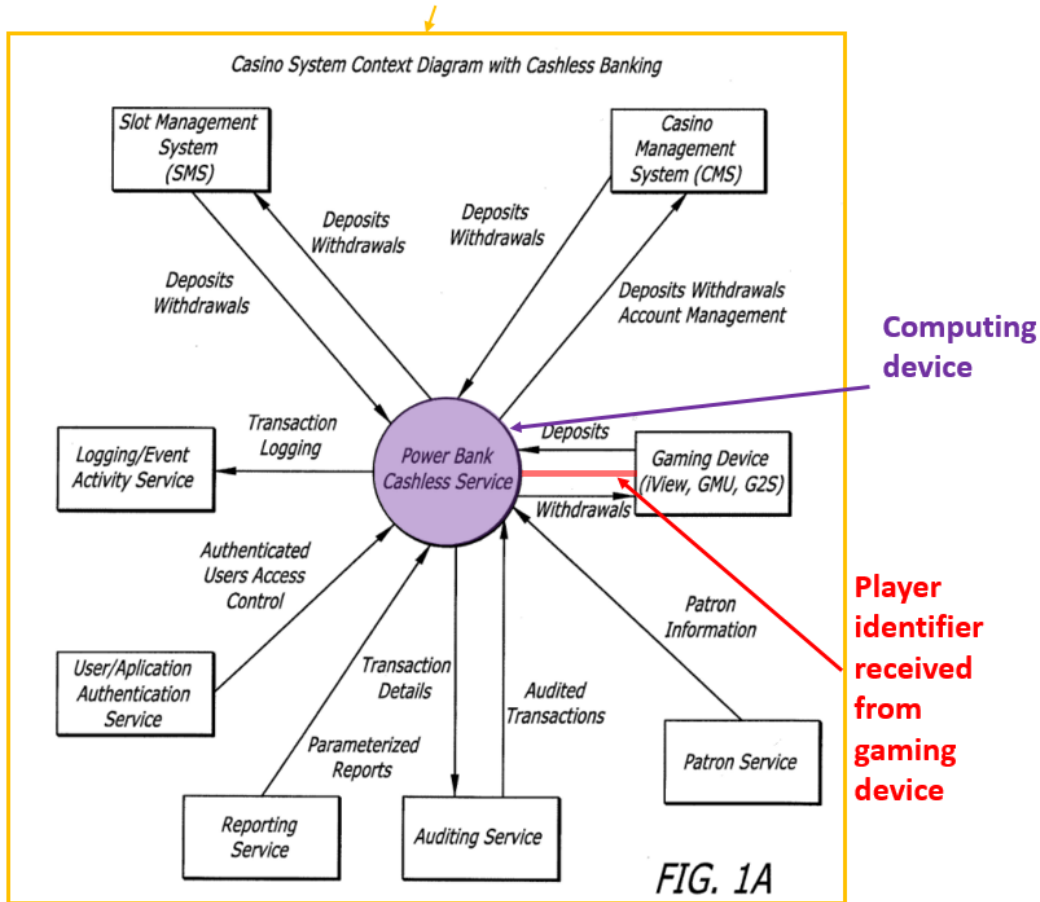
222. Sommer also discloses and suggests a *casino computing system*. Sommer's casino includes elements such as gaming device, slot management system (a system for managing accounting, vouchering, and player tracking of wagering activity) and casino management system (a system for managing accounting of casino operations). (E1006; Fig. 1A.) Sommer's "Casino System" includes elements such as gaming device, slot management system and casino management system (E1006, [0005]; Fig. 1A.) A POSA would therefore immediately envisage that the gaming device, slot management system and casino management system are associated with a *casino computing system* to monitor and manage gaming machines, player accounts and player wagering activities. Indeed the Power Bank elements in these figures – which includes processors and memory (E1006, [0027]) – communicate with these systems electronically. Figure 1A is even labeled a "Casino System."

223. Alternatively, it would be obvious to a POSA that the gaming device, slot management system and casino management system include a casino computing system in view of the state of the art, and particularly the use of computer games

such as slot machines or video poker tracked closely by casino computer systems, at effective priority date of the '708 Patent (i.e. the filing date of the application leading to the '809 Patent). For example, as I explained above in Section VIII(A), access terminals such as gaming machines were first connected online to a central computer system in January 1975, when Gamex Industries revealed its online Slot Accounting and Security System at the London AMOA show. As I go on to explain, ever since then, it has been widely accepted that casinos include gaming machines that are not only electronic and provided with computer technology, but are interconnected with a central computer on the casino floor for monitoring individual signals from the gaming machines. Bally Manufacturing first implemented this type of system in 1975 – and casino computer systems have been utilized in casinos all over the world since then.

224. Below I have labeled the casino computing system. The casino computing system maintains the balance of the player account (*gaming account*). (E1006, Figs. 1A (showing deposits and withdrawals), [0006], [0035] (“[T]he funds are transferred to the gaming server, more specifically into the player account. Typically, the player account is associated with the player identifier and resides on the gaming server.”)).

Casino computing system



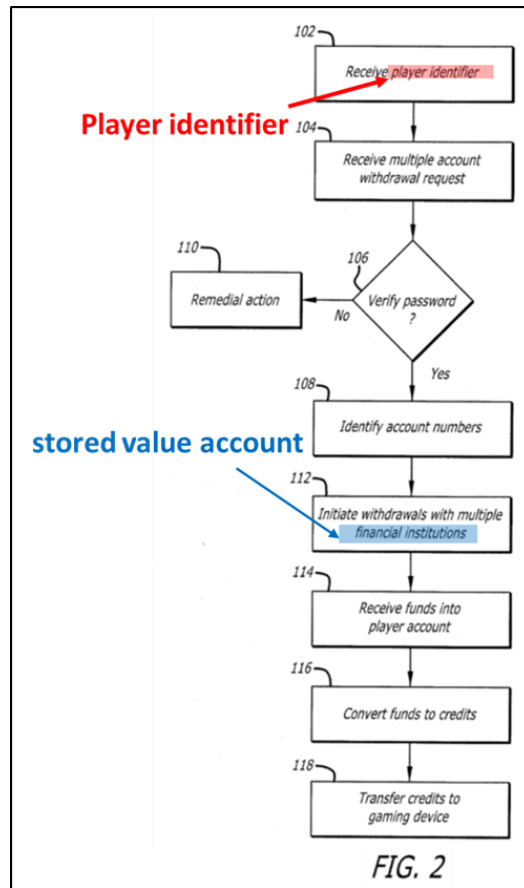
- d. [1.3] identifying, by any of the one or more computing devices, a stored value account based at least partially on the player identifier,

225. Sommer discloses identifying, by any of the one or more computing devices, a stored value account, based at least partially on the player identifier.

226. As shown in Figure 2 of Sommer, a player maintains his or her personal funds at *a stored value account* at a financial institution (blue). Of course, a financial institution may include a checking, savings, debit or credit account. (E1006, [0018].) These accounts are stored value accounts. And, according to Sommer, a player can request funds to be transferred from a stored value account at

one or more financial institutions to their player/gaming account. (E1006, [0030].)

The player's stored value account is identified based on the player identifier (red) by the gaming server (*computing device*) which associates the player identifier, via a secure relational database, with the respective stored value account numbers at step 108. (E1006, [0030], [0033].) For example: "Upon verification of the password, the gaming server identifies the account numbers relevant to the multi-account withdrawal request of step 104. The gaming server identifies the account numbers by associating the player identifier, via a secure relational database, with the respective account numbers and financial institutions of the request (step 108)." (E1006, [0033].) Step 108 in the Figure below shows an identification of the financial account numbers (i.e., stored value account), which is based on the player identifier received at step 102.



e. [1.4] wherein the stored value account is associated with a stored value payment vehicle issued to the player,

227. Sommer teaches wherein the stored value account is associated with a stored value payment vehicle issued to the player.

228. Sommer teaches that the player's stored value account can be a checking, savings, credit card, debit card, ATM card, or bank card. (E1006, [0018], [0020].) A POSA would understand that any card (e.g., debit card, credit card, etc.) associated with a player's stored value account (e.g., debit account, credit card account, etc.) is a stored value payment vehicle issued to the player. Taking, for example, Sommer's "financial institution" being a provider of a debit account, the

debit card that provides access to that account would be a *stored value payment vehicle* issued to the player.

f. [1.5] and wherein a balance of the stored value account is maintained by an issuer processor computing system; and

229. Sommer discloses wherein a balance of the stored value account is maintained by an issuer processor computing system.

230. Sommer teaches that the financial institution maintains the stored value account, which may be a checking, savings, debit or credit account. (E1006, [0018], [0020].) When Sommer's gaming server (*gaming device*) communicates with the financial institution, it transmits sensitive information in a secure, encrypted form (e.g. IFX protocol): "The gaming server may provide additional sensitive information to each of the financial institutions, for example, social security number information, for further security enhancements. Moreover, all sensitive communications can be transmitted in a secure, encrypted form, e.g., an industry standard IFX protocol." (*Id.*, [0034].) A POSA would understand and immediately envisage Sommer's financial institution (issuer processor) must have a computing system (*issuer processor computing system*) to handle such communications. IFX stands for Interactive Financial Exchange, which is a financial messaging protocol built by financial industry. A computing system is necessary to transfer the encrypted information Sommer speaks of, including information regarding the financial institution, social security number, etc.

231. Moreover, a POSA would have understood and immediately envisaged that a player's stored value accounts at a financial institution are maintained by servers (e.g., processors, memory, etc.), and that the balance of the stored value account is maintained by Sommer's issuer processor computing system. Anyone that goes into a bank to deposit or withdraw funds understands that their funds are maintained by servers; an attendant (either person or electronic) takes the patron's information, and retrieves the account associated with that person via the computer system. There is not a physical vault with a lock and key that holds any player's funds; instead, those fund are maintained by a computer network which has processors and memory that maintain all of the funds associated with the patrons of that bank. This is common sense.

232. Even if Sommer did not expressly disclose an issuer processor computing system, in my opinion, it would be obvious over Sommer. In particular, as discussed in the "Background of the Technology" above, computerized systems for electronic funds were well known before the '708 Patent. Moreover, Sommer expressly discloses an electronic device (i.e. the Power Bank gaming server) communicating with the financial institution, and a POSA would recognize the need and benefit of such electronic communications being handled and processed on the receiving end, on behalf of the financial instruction, by a computer system. (E1006, Fig. 2, [0034]). In light of this background knowledge of the art and the express

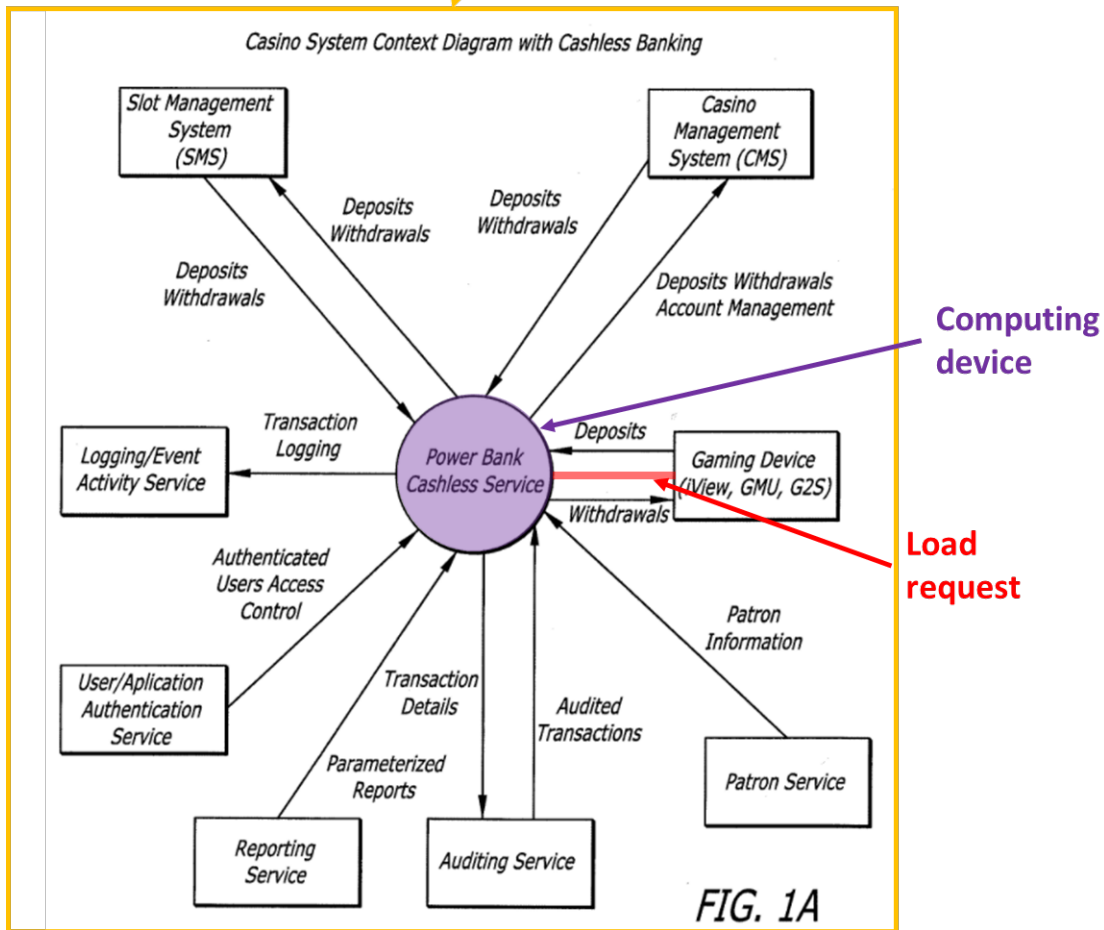
disclosures of Sommer, in my opinion, A POSA would immediately realize the benefit of a financial institution delegating the processing of fund transfer requests to an issuer processor computing system, and therefore would be motivated to use one.

- g. [1.6] instructing, by any of the one or more computing devices, the issuer processor computing system to decrease the balance of the stored value account; and instructing, by any of the one or more computing devices, the casino computing system to increase the balance of the gaming account.**

233. Sommer discloses instructing, by any of the one or more computing devices, the issuer processor computing system to decrease the balance of the stored value account, and instructing, by any of the one or more computing devices, the casino computing system to increase the balance of the gaming account.

234. First, as illustrated in Figs. 1A and 2 below, a player provides his or her player identifier at a gaming device to request funds to be transferred from one or more stored value accounts to their player/gaming account. (E1006, [0030].) The gaming computing system (yellow) communicates an instruction (*instructs*) to the financial institution's issuer processor computing system by the gaming server/computing device (purple). (E1006, [0034], [0035].) I described this in [1.1] above.

Casino computing system



235. Then, once the request is approved, funds are transferred from the stored value account (blue, below) to the player/gaming account (green) (step 114). (E1006, [0035].) “Using the account numbers identified in step 108, the gaming server initiates withdrawal transactions with each of the financial institutions, pursuant to the multi-account withdrawal request (step 112).” (E1006, [0034].) “Assuming the financial institutions approve the transactions of step 112, the funds are transferred to the gaming server, more specifically into the player account (step 114).” (E1006, [0035].) Transferring funds from one account to another necessarily

involves a decrease in funds from one account and an increase in funds in the other account. Therefore, this disclosure of Sommer necessarily means that a decrease in the balance of the stored value account and a corresponding increase in the balance of the player/gaming account occurs.

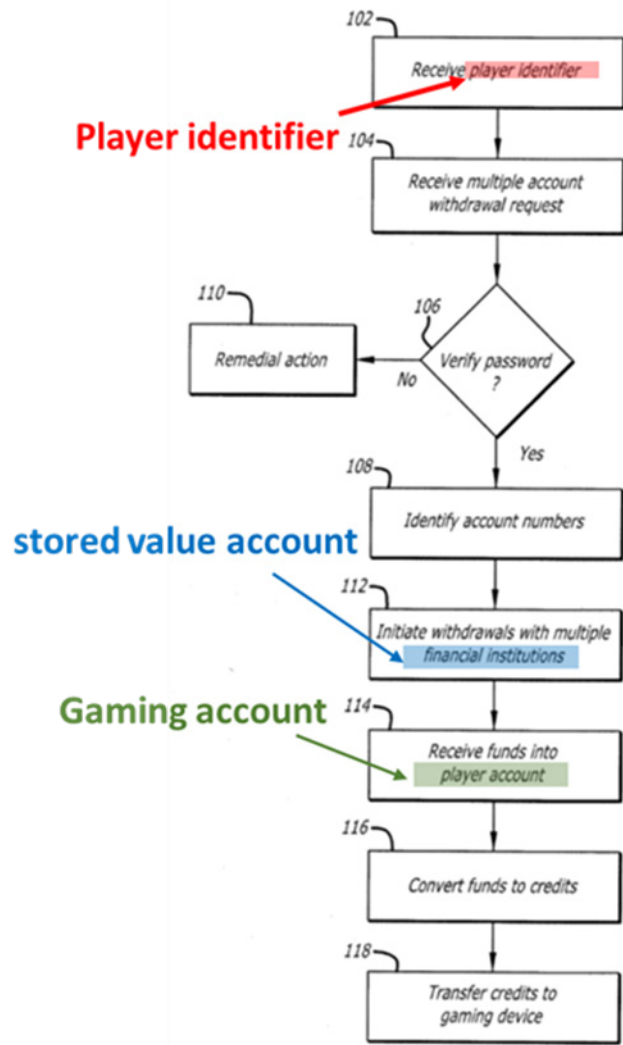


FIG. 2

236. And as I explained above in the Overview of Sommer, Sommer teaches making such a transfer from *one* financial account or *more than one* financial account. (E1006, [0030].) The increase of the funds of the gaming account is

accomplished by the PowerBank (computing device) instructing the “the casino computing system” to increase the balance of the gaming account, e.g. the gaming server updates the value of the account on the casino’s “databases” running on the “SQL Server[s].” (E1006, Figs. 1B, 1C).

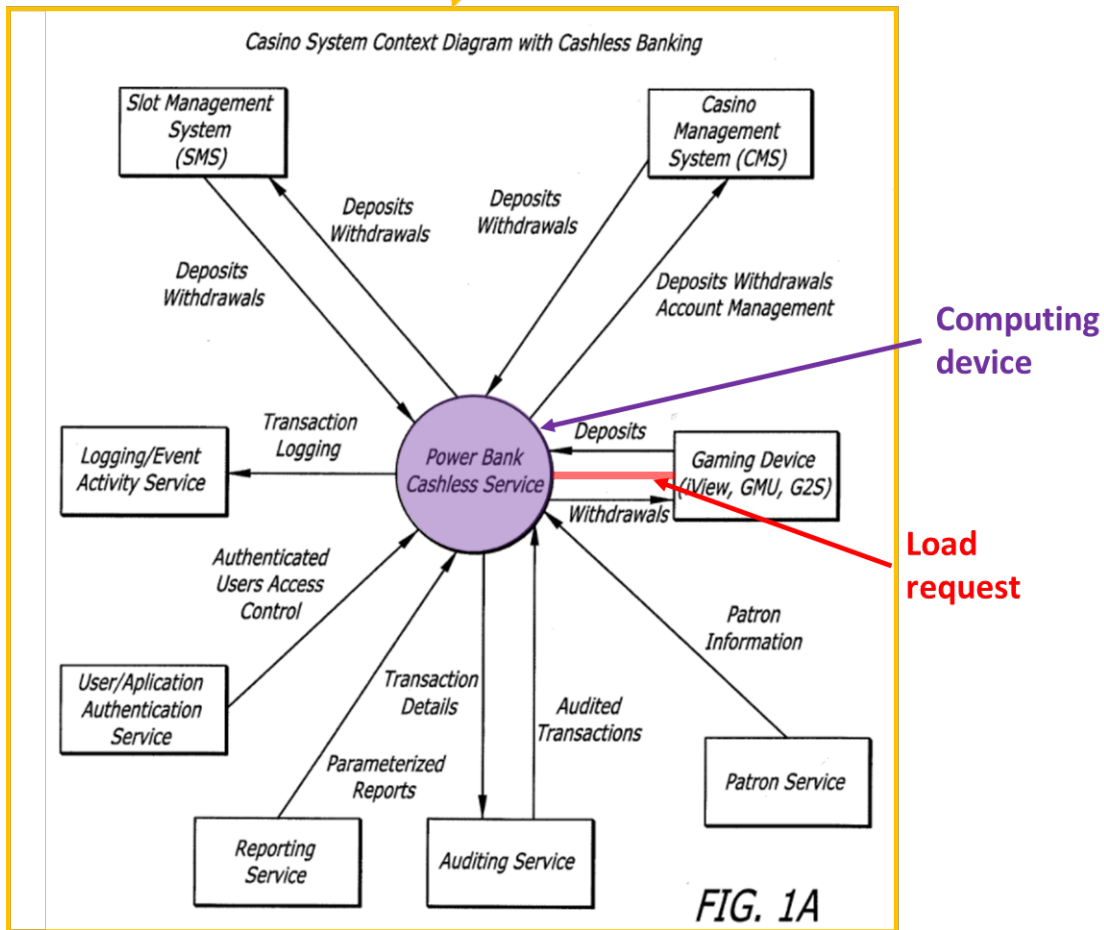
3. Independent Claim 2

- a. [2.1] The computer-based method of claim 1, further comprising: receiving, by any of the one or more computing devices, a request to transfer a first amount of funds from the stored value account to the gaming account; and**

237. Sommer discloses receiving, by any one of the one or more computing devices, a request to transfer a first amount of funds from the stored value account to the gaming account. (See claim element [1.6] above.)

238. As I explained there, this request is initiated by swiping a player card at a gaming device terminal to provide the player identifier (red). (E1006, [0022].)

Casino computing system



239. The request to withdraw funds from the player’s stored value account and transfer the funds to the player/gaming account is then received by the gaming server/computing device 108 (purple). (E1006, [0030], Claim 1.) Step 104 in Fig. 2 below is the withdrawal request, i.e., a request to transfer funds from the stored value account to the player/gaming account. (E1006, [0033].)

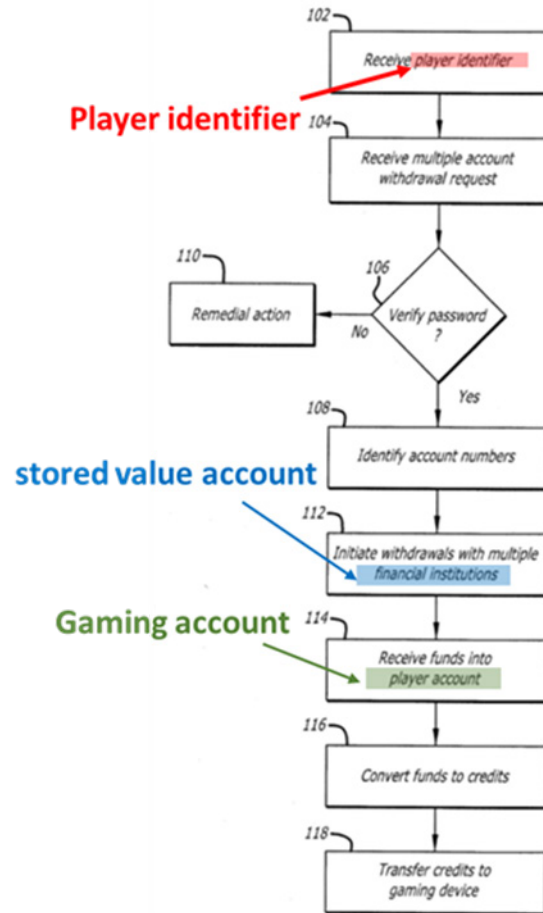


FIG. 2

- b. [2.2] initiating, by any of the one or more computing devices, a transaction to decrease the balance of the stored value account.

240. Sommer discloses initiating, by any of the one or more computing devices, a transaction to decrease the balance of the stored value account.

241. In order to fund the player’s account, Sommer discloses: “Using the account numbers identified in step 108, the gaming server initiates withdrawal transactions with each of the financial institutions [*i.e.*, *stored value account*], pursuant to the multi-account withdrawal request (step 112).” (E1006, 0034[.]) This

transfer requires a decrease in the balance of the stored value account. (See claim element [1.6]; E1006, [0034].)

4. **Claim 6: The computer-based method of claim 1, wherein the gaming account is any of a wagering account, a casino level player account, and a metered gaming credit account.**

242. Sommer discloses wherein the gaming account is any of a wagering account and a casino level player account.

243. Sommer's gaming account is also referred to as a "player account" that contains funds "to be wagered directly at [a] gaming device," and thus is a wagering account and/or a casino level player account. (E1006, [0035], Fig. 2.)

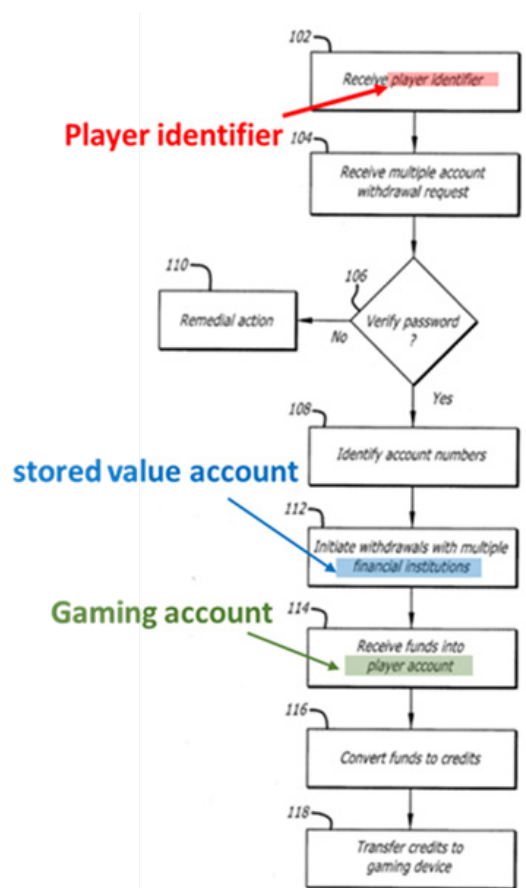


FIG. 2

5. Claim 8: The computer-based method of claim 1, wherein decreasing the balance of the stored value account and increasing the balance of the gaming account occurs in substantially real-time.

244. Sommer discloses wherein decreasing the balance of the stored value account and increasing the balance of the gaming account occurs in substantially real-time.

245. Sommer teaches the transfer of “funds” from the stored value account to the gaming account. (E1006, [0025]; claim element [1.7] above.) And, Sommer defines “funds” as “money and other assets that are electronically traded for *in real time*.” (E1006, [0020].) Therefore, when a player is transferring funds from the stored value account to the gaming account, this is a transfer of money in real time.

246. Moreover, Sommer teaches communicating with the player’s financial institution via “IFX protocol” (E1006, [0034]), which a POSA understands to occur in substantially real time. As I explained earlier in ¶252, IFX protocol stands for Interactive Financial Exchange, which is a financial messaging protocol built by the financial industry. It governs the electronic transferring of funds, which happens electronically and in real time. The internet and connected servers facilitate the IFX protocol exchange of financial information.

247. A POSA would understand and immediately envisage this disclosure to mean that the balance of the gaming account is increased and the balance of the stored value account is decreased in substantially real-time. This would make funds

immediately available to a player for gaming while at the gaming machine. As explained above in claim elements [1.1] and [1.7], a player can swipe his or her card at a gaming machine to request a fund transfer. (*See, e.g.*, E1006, [0022].) A POSA would therefore understand that the player would want his or her funds to be transferred while still at that gaming machine such that the funds can be gambled while still at the gaming machine. Otherwise, there would be no particular benefit to being able to perform such a transaction while at the gaming machine as opposed to walking to an attendant at the casino cage, for example. If the player had to sit and wait at the gaming machine for an extended period of time (such as, for example, 5 minutes, 10 minutes, or 20 minutes, or longer) until his or her funds were transferred, the player would be frustrated and the entire purpose of being able to fund the player's casino account from the gaming machine would be lost. A POSA would therefore immediately envisage Sommer's system as transferring funds from the stored value account to the gaming account in substantially real time.

248. Alternatively, it would have been obvious to a POSA to make the funds transferred from the stored value account to the gaming account available in substantially real time for at least the reasons I just gave. It would have been a matter of common sense to do so, for at least the reasons I just gave. For example, a POSA would not want a person to be frustrated by forcing him or her to wait at the gaming machine for a lengthy period of time until the funds were actually transferred and

made available for wagering. This would cause frustration by the player, and potentially causing the player to stop gaming or leave the casino altogether, which results in a loss in revenue. Moreover, electronic fund transfers were widely known and available, as I explained in section VIII(C) above. I even explained in my U.S. Patent No. 5,902,983 (Exhibit E1023) that Electronic Funds Transfers (“EFT”) processing at the gaming machine itself “would result in higher revenues for casinos, as gaming machine players would be able to remain at a given machine for an extended period of time without visiting a cashier or ATM machine.” (E1023, 1:65-2:17.) Using electronic fund transfers at the gaming machine to make funds available to the player was already well known, as I have detailed here; simply doing so in “real-time” adds nothing more than common sense and would have been obvious to a POSA.

6. Claim 9: The computer-based method of claim 1, wherein the player identifier is a casino-issued unique identifier tied to a loyalty program associated with a gaming environment.

249. Sommer discloses wherein the player identifier that is provided to a gaming device is a casino-issued unique identifier tied to a loyalty program of the gaming environment.

250. Sommer discloses: “Typical player cards include a unique identifier issued by the gaming establishment. Use of the identifier enables the casino to centrally track the player's wagering activity. Applying the player's historic activity,

the gaming establishment can develop a targeted marketing campaign including promotions, gifts, and advertisements.” (*Id.*, [0003].) “Preliminarily, a player registers demographic information with a gaming establishment and is issued a player identifier. The player identifier may provide the player with eligibility for certain promotional opportunities in exchange for the ability for the gaming establishment to track the player's wagering activity.” (E1006, [0021]. A POSA would understand and immediately envisage this to be a loyalty program of the gaming environment. As I described above in Section VIII(A), it has been common knowledge for decades that player tracking within a casino is integrally tied with loyalty programs. It was common knowledge that using a player tracking card allows the casino to provide various benefits and comps to the player as the player wagers in the casino. These loyalty programs, also known as “slot clubs,” are entities in the casino that collect customer data and delivery loyalty program benefits for casino customers. (E1024, page 1.) The benefits associated with using the player tracking card do not need to be in the form of comps untethered to the player tracking card itself; rather, most casino comps are issued via the player tracking card itself. (*Id.*, page 22.) As the player uses his or her player tracking card (or loyalty card) in the casino, the casino can provide certain benefits, including, but not limited to, earned points redeemable for same-day cash back, slot credits, comps (e.g., meals, show tickets, hotel stay discounts, etc.), free play offers awarded to the player’s

gaming account, and direct mail offerings. (*Id.*, page 23.) A POSA such as myself would understand immediately envisage Sommer’s disclosure that “players may accumulate rewards such as player points and redeem such points via their player tracking card 112” to refer to a loyalty program of the gaming environment.

251. Even if Sommer did not expressly disclose a loyalty program, implementing a loyalty program in Sommer would be obvious. As discussed in the “Background of the Technology,” loyalty programs were well-known and long-standing in the field of casinos, and it would be obvious to implement them in any casino system, especially Sommer given its express disclosure of player tracking and promotions / gifts. Moreover, it would be obvious to implement such a system using the player identifier such that the player identifier is a casino-issued unique identifier tied to a loyalty program associated with a gaming environment. In particular, a POSA would immediately recognize that a casino would need a single identifier for all information relating including the tracking / promotion information disclosed in Sommer and any other aspects of the loyalty program applicable to that player.

7. **Claim 10: The computer-based method of claim 1, further comprising: subsequent to receiving the player identifier, sending, by any of the one or more computing devices, an indication of the account balance of the stored value account.**

252. Sommer discloses subsequent to receiving the player identifier, sending, by any of the one or more computing devices, an indication of the account balance of the stored value account.

253. Sommer’s “gaming server [*i.e., computing device*] stores account number and financial institution [*i.e., stored value account*] information related to the player identifier.” (*Id.*, [0030].) Sommer teaches that subsequent to receiving the player identifier, a table with account balances of the stored value account may be displayed on the gaming device, which is part of the gaming computing system. (E1006, [0030], [0038].) “As such, a table (see Table 1, below) may be presented to the player wherein the player can input a requested amount of funds to be transferred or withdrawn from each account name.” (E1006, [0030].)

TABLE 1		
Account Name	Balance	Withdrawal
Chase 1	\$1,000.00	\$ _____
Citibank 1	\$2,000.05	\$ _____
Wells Fargo 1	\$3,050.11	\$ _____
Total	\$4,050.16	\$ _____

254. The information that produces this table is sent by Sommer’s gaming server (*i.e., computing device*) to the gaming device. (E1006, [0030], [0038]; see [1.1] above.)

255. And as I explained above in the Overview of Sommer, Sommer teaches making such a transfer from *one* financial account or *more than one* financial account: “In a single request or transaction at the gaming device, the player can request funds to be transferred from one or more accounts at one or more financial institutions to their player account.” (E1006, [0030].) Therefore, if a player has only

a single stored value account, a POSA would understand and immediately envisage that this single stored value account would show up in Table 1. (*Id.*) The system would not be inoperable if a player only had a single stored value account, and the Table would still be of value to the player to view the balance of that single stored value account while at the gaming device.

8. Independent Claim 11

a. **[11.0] A computer-based method of funding an account associated with a player, comprising:**

256. Sommer's gaming server (Power Bank server) is a networked computer including a processor, memory, and storage device. I explained this in claim element [1.0] above. (E1006, [0027].) The gaming server performs the methods shown in Fig. 5 of transferring funds into a player's account at a financial institution, *i.e.*, a *method of funding an account associated with a player*. (See claim element [1.0]; E1006, [0027], [0069].)

b. **[11.1] receiving, by a transaction facilitator computing system, a load request, wherein the load request comprises a request to load player funds to a stored value account associated with a stored value payment vehicle,**

257. Sommer discloses receiving, by a transaction facilitator computing system, a load request, wherein the load request comprises a request to load player funds to a stored value account associated with a stored value payment vehicle.

258. Sommer teaches that a player maintains his or her personal funds in a *stored value account* (blue), which may be a checking, savings, debit or credit

account, at a financial institution. (See claim element [1.4]; E1006, [0018].) The stored value account is associated with a *stored value payment vehicle*, such as a debit card. (See claim element [1.5]; E1006, [0018], [0020].)

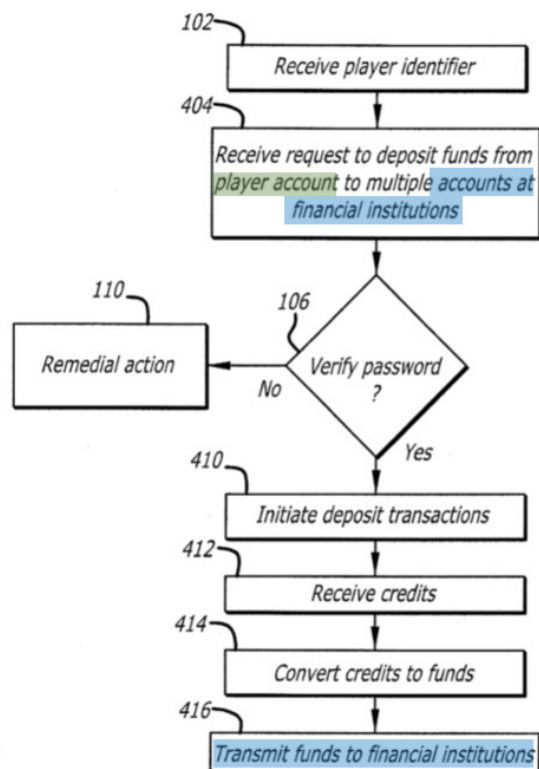
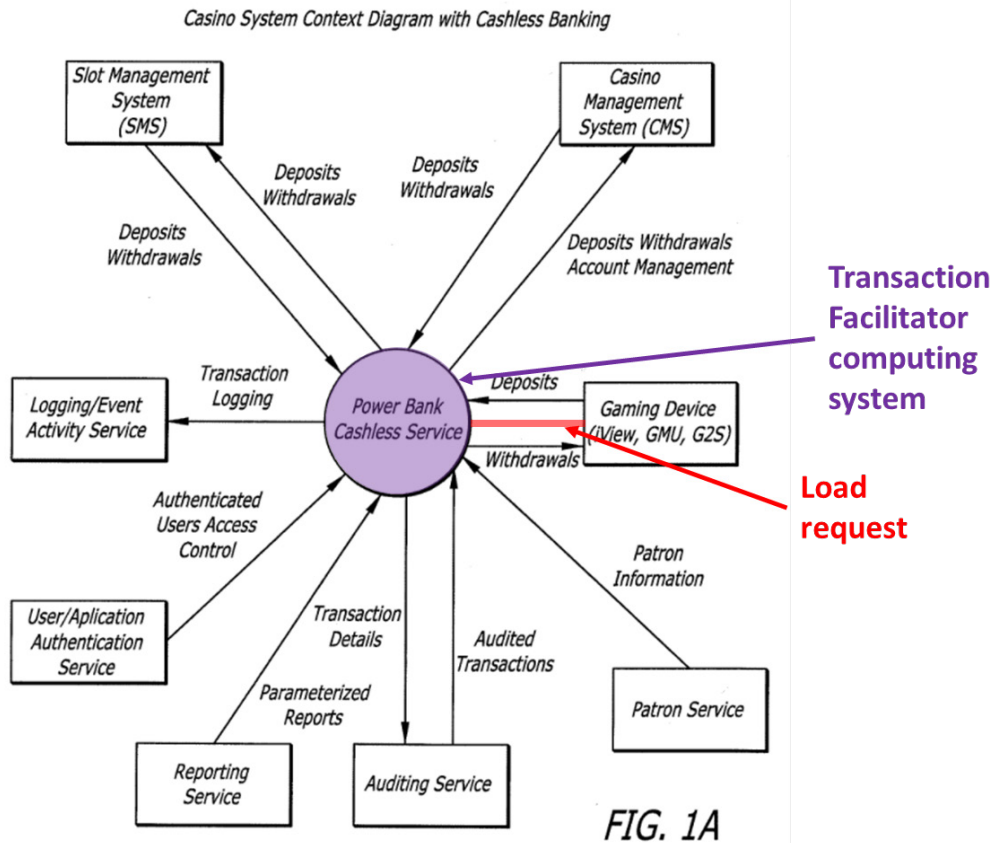


FIG. 5

259. As shown in Fig. 5 above (step 404), Sommer teaches loading player funds from the player’s casino/gaming account (green) into the stored value account (blue). (E1006, [0069], Fig. 5.) “The player can make a single request to deposit a first amount of funds to a first account at a first financial institution and a second amount of funds to a second account at a second financial institution (step 404).” (E1006, [0070].) The Fig. 5 process is similar to that of Figure 2, except that player is “cashing out” by transferring funds from the player/gaming account to the player’s

stored value account(s), which is the direction of funds transfer recited in this claim limitation.

260. Paragraphs [0069]-[0071] disclose the limitations of [11.1]. Sommer's Power Bank gaming server is a *transaction facilitator computing system* that accepts load requests and facilitates fund transfers and communications between a player, various accounts, and the casino. (See Claim [1.7]; E1006, [0069]-[0070].) For the reasons in claim element [1.1] above, and as shown in Fig. 1A below, Sommer's PowerBank gaming server (purple) is the ***transaction facilitator computing system***. The Power Bank gaming server accepts load requests and facilitates fund transfers and communications between a player, various accounts, and the casino. (See Claim [1.7]; E1006, [0069]-[0070].) Figure 5 illustrates a transfer of funds from a player's gaming account to a stored value account, and is a method carried out by Sommer's gaming server *i.e., transaction facilitator computing system. (Id.)*



261. As shown in Fig. 1A above, Sommer discloses that the load request (red) to load player funds to the stored value account(s) is received by the transaction facilitator computing system (purple). (See claim element [1.1]; E1006, [0069], [0070], Fig. 1A.) To request a transfer, the player logs in through a gaming device and makes a request to deposit a first amount of funds to a first account at a first financial institution. (*Id.*) In particular, the transaction facilitator receives the player identifier (step 102). This is the same step shown in Figure 2 and described above with reference to claim 1, which can be initiated by swiping a player card, entering an alphanumeric code via a keypad, using a biometric input device, or other input device” to log into the gaming device. (E1006, [0022].)

- c. **[11.2] wherein the stored value account has a balance amount that is maintained by an issuer processor computing system;**

262. Sommer discloses (and suggests / renders obvious) this element for the same reasons as element [1.5] and claim 10.

- d. **[11.3] receiving, by the transaction facilitator computing system, player funds information, wherein the player funds information comprises at least a total value of the player funds;**

263. Sommer discloses receiving, by the transaction facilitator computing system, player funds information, wherein the player funds information comprises at least a total value of the player funds.

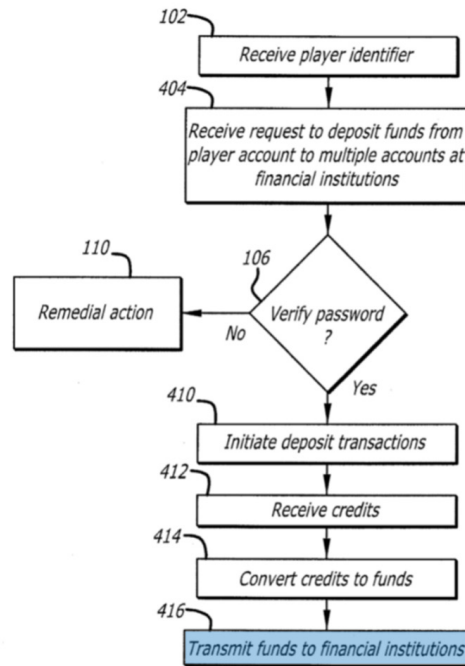
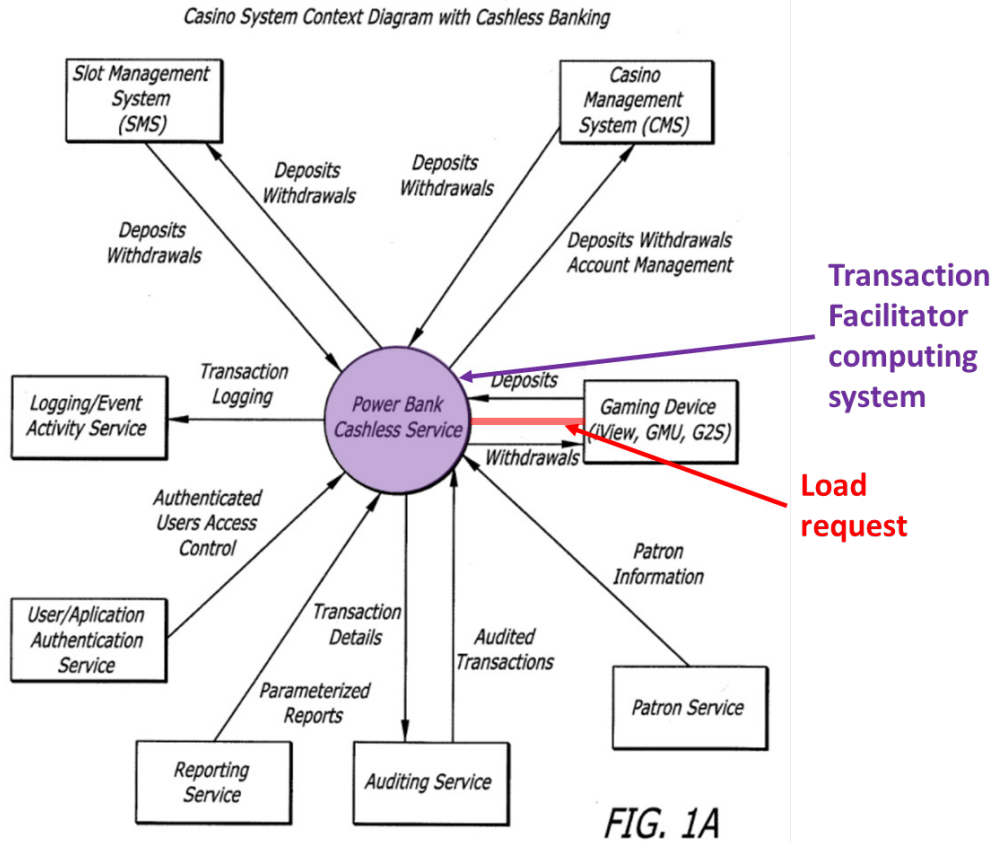
264. Sommer teaches that the “sum of the credits” won by the player may be deposited as funds into the player’s financial account (*i.e., stored value account*). (E1006, [0069].) To do so, the gaming server (*i.e., transaction facilitator computing system,*) converts this sum of credits from the gaming device into funds before transmitting this sum of credits to the financial institution (E1006, [0071].) The sum of credits requested to be transferred constitutes *player funds information*, including a *total value of the player funds* to be transferred – whatever sum of credits the player has and desires to transfer would be a *total value of player funds* the player desires to transfer.

- e. **[11.4] instructing, by the transaction facilitator computing system, the issuer processor computing system to increase the**

balance amount of the stored value account based on the total value of the player funds.

265. Sommer discloses instructing, by the transaction facilitator computing system, the issuer processor computing system to increase the balance amount of the stored value account based on the total value of the player funds.

266. Sommer discloses this limitation for the same reasons discussed above in limitation [1.6]. In particular, after receiving player funds information, Sommer's gaming server (*i.e., transaction facilitator computing system*) communicates to the financial institution (step 416) which houses the player's stored value account. (E1006, [0071], Figs. 1A, 5.) As discussed, a POSA would understand and immediately envisage that Sommer's financial institution (*issuer processor*) must have the disclosed server and a computer system, and that the issuer processor computing system is the mechanism by which the financial institution and stored value account receive communications. (E1006, [0034], [0035], claim element [1.6].) For the reasons I explained above in claim element [1.6], it is common sense to not only a POSA but to a layman that a financial institution has a *computing system* to receive communications to cause increases and/or decreases in the financial accounts maintained at that financial institution.



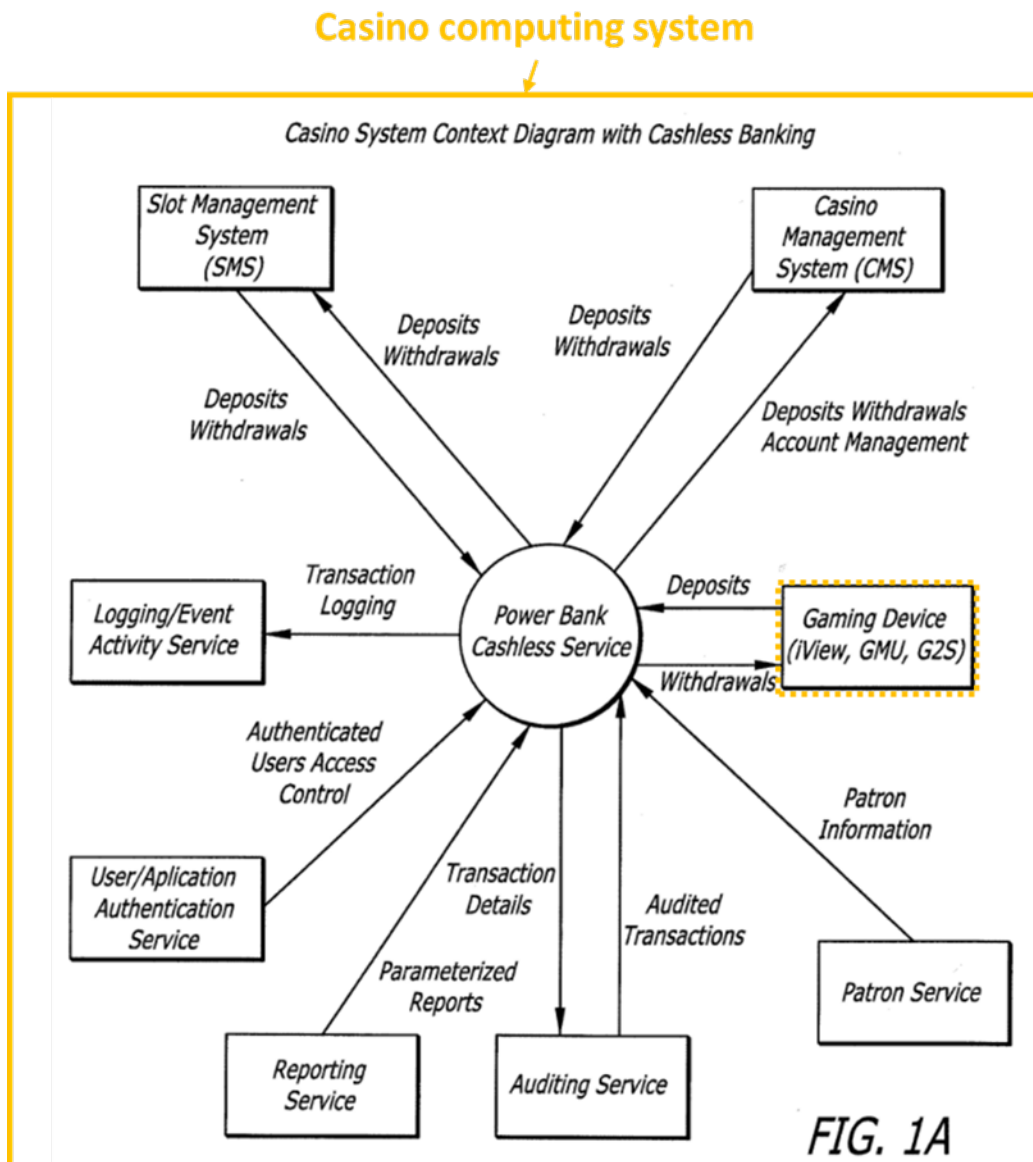
267. When player funds are transferred to the stored value account from the player/gaming account, the balance of the stored value account necessarily increases by the total value of the player funds being transferred. (E1006, [0069]-[0071]; see also claim element [1.6]). A player cannot transfer more than he/she has available. For example, if a player with \$100 available in the gaming account makes a transfer to his/her stored value account, the stored value account would increase by \$100.

9. Claim 12: The computer-based method of claim 11, wherein the load request is received from a computing system that is associated with any of a casino cage, a casino table game, a gaming device, a kiosk, a casino pit, a casino sports book, and an online casino.

268. Sommer discloses wherein the casino computing system is associated with any of a casino cage, a casino table game, a gaming device, a kiosk, a casino pit, a casino sports book, and an online casino.

269. For example, as shown in Figure 1A below, Sommer's casino computing system is associated with the casino's gaming devices. (E1006, [0022], [0069]-[0071]; see claim element [11.1].) They are labeled right in the Figure itself. Additionally, a POSA would understand that each of Sommer's "Gaming Device[s]" (also referred to as an "Electronic Gaming Device," E1006, [0079]) is, itself, associated with its own internal "computing system" because Sommer's Gaming Devices communicate with other computerized devices (e.g. E1006, Fig. 1A, [0026]) and because it was well-established and typical prior to Sommer that

Electronic Gaming Devices were computerized. See Background of the Technology, Section VII.



270. A POSA would also immediately envisage that Sommer’s reference to gaming device includes other common and well known player access and gaming stations in a casino, including a casino cage, a casino table game, a casino pit, a casino sports book and an online casino. These are (and have been) very common

items in a casino that are associated with or include computer systems for handling various tasks. For example, it is fundamental in a casino setting that a casino pit (i.e., an area of the casino which typically includes tables for Blackjack, Craps, Roulette, and other games) includes a “pit boss” who supervises the entire pit and performs various tasks on a computer that communicates with the casino computing system. It is also fundamental in a casino setting that a casino cage includes cashiers that work on computer systems for handling money and communicating with the casino computing system. The casino cage attendant can perform fund transfers.

10. Claim 15: The computer-based method of claim 11, wherein the player funds comprise player-sourced funds tendered to the casino.

271. Sommer discloses wherein the player funds comprise player-sourced funds tendered to the casino.

272. Sommer teaches that the gaming server moves credits from the gaming device into the player account (step 412), and then converts the credits into funds (step 414) before transferring those funds to the player’s stored value account. (E1006, [0071]; claim element [11.1].) This is similar to the ’708 Patent’s teaching that player-sourced funds can include gaming credits that are transferred to the stored value account. (E1002, 16:32-38.)

11. Claim 16: The computer-based method of claim 11, wherein the player funds comprise a jackpot payout.

273. Sommer discloses wherein the player funds comprise a jackpot payout.

274. For example, Sommer states: “In the embodiment of FIG. 5, the player may have won a substantial jackpot or may have won many small wagers such that the sum of the credits have encouraged the player to make a deposit of funds to a plurality of the player's accounts.” (E1006, [0069].) Fig. 6 of Sommer also describes transferring funds from the jackpot to the player’s financial accounts. (*Id.*, [0072]-[0074].)

12. Claim 17

- a. **[17.1] The computer-based method of claim 16, comprising: receiving, by the transaction facilitator computing system, jackpot information, wherein the jackpot information comprises at least a jackpot identifier;**

275. Sommer discloses receiving, by the transaction facilitator computing system, jackpot information, wherein the jackpot information comprises at least a jackpot identifier.

276. As shown in Fig. 6, Sommer’s “gaming server [*transaction facilitator computing system*] monitors each game to determine if a jackpot has been won at the gaming device (step 204). If a jackpot has been won at the gaming device (step 204), the gaming server can use the player identifier and a pre-authorization from the player to determine if the jackpot is greater than the balance owed on the entire player's accounts (step 506).” (*Id.*, [0073], Fig. 6; (*Id.*, [0073], Fig. 6.) The player identifier is needed (step 102) to process the jackpot, and thus constitutes a jackpot identifier. (*Id.*)

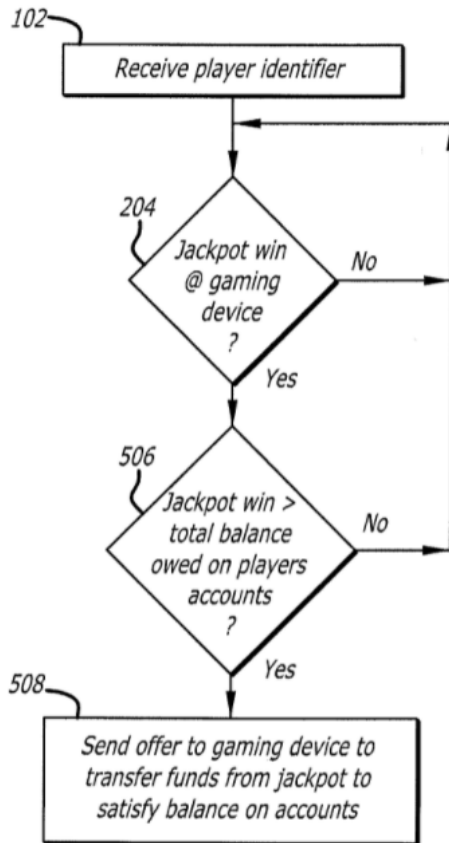


FIG. 6

- b. [17.2] subsequent to an authentication of the jackpot information, instructing, by the transaction facilitator computing system, the issuer processor computing system to increase the balance amount of the stored value account based on the jackpot amount..

277. Sommer teaches that subsequent to the pre-authorization from the player, the gaming server [*transaction facilitator computing system*] can then send an offer to the player via the gaming device to transfer funds from the jackpot to satisfy the balance on all the open financial accounts associated with the player identifier (step 508). If the player accepts the offer, then the system can automatically transfer funds to the financial institutions [*stored value account*].”

(E1006, [0074].) If the player accepts the offer, then the system automatically transfers funds to the stored value account, thus increasing the balance of the stored value account based on the jackpot amount. (*Id.*) As discussed above in limitations [1.6] and [11.4], such transfers are performed by instructions sent from Sommer's Power Bank gaming server (*transaction facilitator computing system*) to the financial institution's issuer processor computing system. And, as discussed above in limitations [1.5] and [11.2], Sommer discloses and suggests that the financial institution account as being accessed through and maintained by an issuer processor computing system.

13. Independent Claim 18

a. [18.0] A gaming system for a gaming environment, comprising:

278. Sommer discloses gaming system for a gaming environment. See claim elements [1.0], [1.2], and claim 9 above. (E1006, [0092], Fig. 3.)

b. [18.1] a stored value payment vehicle issued to a player

279. Sommer discloses a stored value payment vehicle issued to a player. See claim element [1.4] above.

c. [18.2] wherein funds accessible by the stored value payment vehicle are maintained in a stored value account and are accessible through a payment network;

280. Sommer discloses this elements for the same reasons as claim element [1.4].

281. Additionally, Sommer discloses that the accounts at the financial institutions (i.e., stored value account) can be accessed via a “credit card, debit card, ATM card, and bank card.” (E1006, [0018].) Sommer also discloses that “Financial transactions between the gaming establishment and the financial institution may be processed by a third party financial transaction provider” and that such as a “international, national, regional, or local *payment network* utilized to effect a credit transaction, electronic fund transfer, stored value product transaction, or money transmitting service, or a participant in such network.” (E1006, [0039], [0040], cls. 32, 38).

282. A POSA would understand and immediately envisage that funds in player’s financial accounts are therefore accessible “through a payment network” because of how debit cards operate. Sommer in fact states that the term “financial transaction provider” means “a creditor, credit card issuer, financial institution, operator of a terminal at which an electronic fund transfer may be initiated, money transmitting business, or international, national, regional, or local payment network utilized to effect a credit transaction, electronic fund transfer, stored value product transaction, or money transmitting service, or a participant in such network, or other participant in a designated payment system.” (E1006, [0040].) And, the ‘708 Patent even admits this is known in the art: “The stored value payment vehicle 816 can be used for financial transactions at a variety of locations, such as an unaffiliated

merchant 818 or an ATM machine 822. These transactions can use traditional open-loop payment network communications to seek authorizations from the issuer processor computing system 826 associated with the stored value payment vehicle 816, *as is known in the art.*” (E1002, 14:41-48.)

d. [18.3] a gaming account to hold funds for the player;

283. Sommer discloses a gaming account for the same reasons as claim element [1.2]. A player may fund his/her gaming account (green) (steps 112, 114) upon logging into a gaming device with her/her player identifier (red), and thus the player account is a *gaming account* that *holds funds* for the player (E1006, [0028].)

e. [18.4] a loyalty account assigned to the player

284. Sommer discloses and renders obvious a loyalty program for the same reasons as Claim 9.

285. As stated with respect to claim 9, Sommer discloses: “Typical player cards include a unique identifier issued by the gaming establishment. Use of the identifier enables the casino to centrally track the player's wagering activity. Applying the player's historic activity, the gaming establishment can develop a targeted marketing campaign including promotions, gifts, and advertisements.” (*Id.*, [0003].) “Preliminarily, a player registers demographic information with a gaming establishment and is issued a player identifier. The player identifier may provide the player with eligibility for certain promotional opportunities in exchange for the

ability for the gaming establishment to track the player's wagering activity.” (E1006, [0021]. A POSA would understand and immediately envisage this to be a player loyalty program. As I described above in Section VIII(A), it has been common knowledge for decades that player tracking within a casino is integrally tied with loyalty programs. It was common knowledge that using a player tracking card allows the casino to provide various benefits and comps to the player as the player wagers in the casino. These loyalty programs, also known as “slot clubs,” are entities in the casino that collect customer data and delivery loyalty program benefits for casino customers. (E1024, page 1.) The benefits associated with using the player tracking card do not need to be in the form of comps untethered to the player tracking card itself; rather, most casino comps are issued via the player tracking card itself. (*Id.*, page 22.) As the player uses his or her player tracking card (or loyalty card) in the casino, the casino can provide certain benefits, including, but not limited to, earned points redeemable for same-day cash back, slot credits, comps (e.g., meals, show tickets, hotel stay discounts, etc.), free play offers awarded to the player’s gaming account, and direct mail offerings. (*Id.*, page 23.) A POSA such as myself would understand immediately envisage Sommer’s disclosure of “[a]pplying the player's historic activity, the gaming establishment can develop a targeted marketing campaign including promotions, gifts, and advertisements” to refer to a loyalty program.

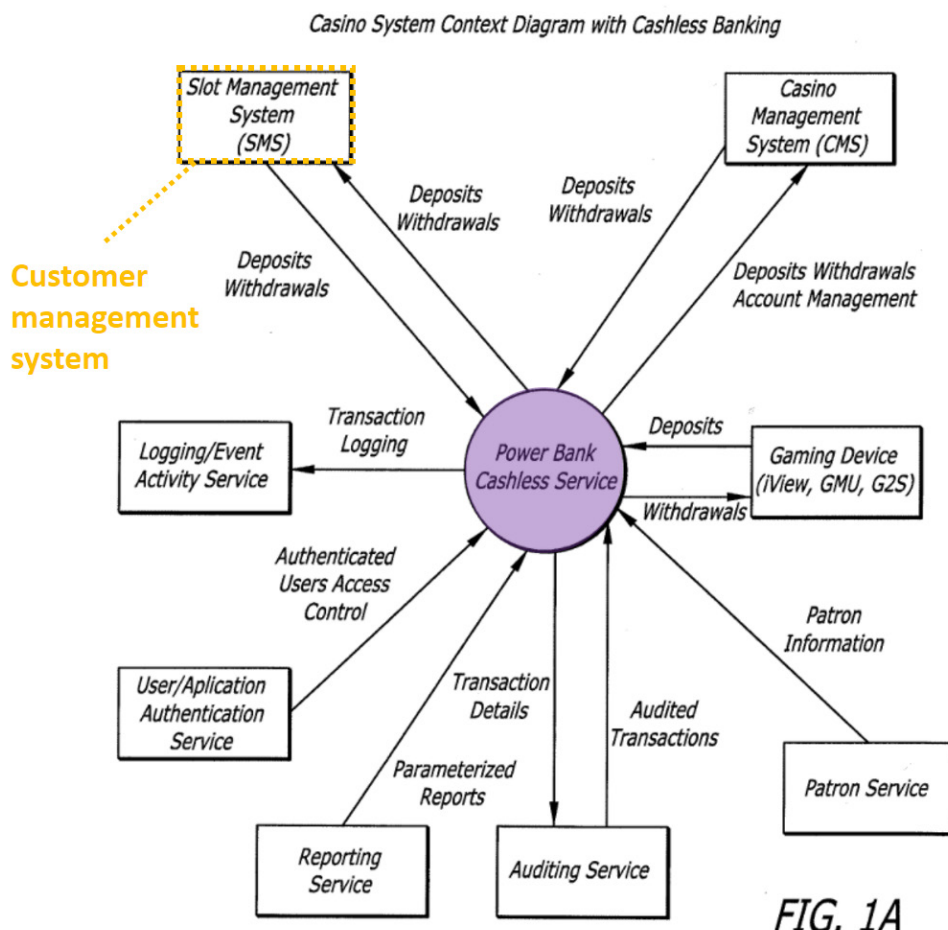
286. Such a loyalty program would necessarily include a loyalty account (e.g., an electronic ledger) in order to track the player’s wagering activity. Without tracking the player’s wagering activity, the loyalty program would not know how or when to provide the player with such promotions, gifts, and advertisements. Since Sommer discloses using the “player’s historic activity” to provide the promotions, gifts and advertisements, the wagering activity must be stored in an electronic ledger or the like so that it can be recalled for later use.

f. [18.5] wherein the loyalty account is maintained by a customer management system,

287. Sommer discloses wherein the loyalty account is maintained by a customer management system.

288. Sommer discloses a “slot management system” illustrated in Fig. 1A that provides a “system for managing accounting, vouchering, and player tracking of wagering activity” in order to allow for the loyalty promotions, gifts and advertisements to be provided to the player. (*See* claim element [18.4]; E1006, [0003], [0005].) A POSA would understand and immediately envisage that Sommer’s slot management system is a *customer management system* since it is a “system for managing... player tracking of wagering activity” for providing loyalty benefits. (*Id.*) Certainly a system for “managing player tracking of wagering activity,” which is then used to build a “player’s historic activity” to offer comps, would be a management system. As I explained in Section VII(A) above, this sort

of management system for tracking wagering activity to offer comps and other benefits as part of a loyalty has been implemented all over casinos since at least the 1990s.



289. If not expressly disclosed by Sommer, it would have been obvious to a POSA to use the customer management system to track the points earned by the player during wagering (i.e., to maintain the loyalty account with a computer based system managing various aspects of casino operations). As discussed, such computer-based systems have been integral in player tracking since the inception of player tracking in at least the 1980s when EDT installed the first casino-wide online

player tracking and slot accounting system, as I explain in section VIII(A) above. Similar player tracking systems have been in place since, and all of them to my knowledge include a computer-based system that tracks the player's loyalty account (e.g., wagering history, points, comps, etc.) and which is integrated, as needed, with the other relevant systems of the casino. A POSA would be motivated to use a customer management system in the manner claimed by their wide-spread use and the desire for integrating information into centralized systems and databases (as taught by Sommer) by which various aspects of the customer relationship can be managed.

g. [18.6] wherein the loyalty account assigned to the player is associated with the stored value account; and

290. Sommer discloses wherein the loyalty account assigned to the player is associated with the stored value account.

291. Sommer's player identifier (described in [1.1] above) is associated with the loyalty account: "The player identifier may provide the player with eligibility for certain promotional opportunities in exchange for the ability for the gaming establishment to track the player's wagering activity." (E1006, [0021].) Sommer's player identifier is also associated with the player's financial account (*i.e., stored value account*). (See claim element [1.3].) The player's loyalty account and stored value account are therefore associated by virtue of their association with the player identifier; the player identifier identifies both accounts.

- h. [18.7] at least one processor and non-transitory computer readable medium having instructions stored thereon which when executed by a processor cause the processor to:**

292. Sommer discloses at least processor and non-transitory computer readable medium having instructions stored thereon.

293. See claim elements [1.0] and [11.0] above. Sommer's gaming server (Power Bank) includes "a processor, a memory, and a storage device" in order to perform the "basic operations of the system" disclosed by Sommer. (E1006, [0005], [0027], Figs. 1A, 1C, claim 26.)

- i. [18.8] selectively cause the funds maintained in the stored value account to be decreased; and selectively cause the funds held by the gaming account to be increased.**

294. Sommer discloses this element for the same reasons as claim elements [1.6], [11.1] and [11.4] above.

295. Sommer teaches using gaming server (Power Bank) to transfer funds from stored value account (blue) to player's gaming account (green) (E1006, [0085]), by the player making selections on a "gaming device" such as a "stand-up machine," "handheld device," or "mobile phone", (E1006, [0023]). (See [1.2] above.). As discussed, any funds transfer causes an increase in the transferee account and a corresponding decrease in the transferor account. Furthermore, the increase and decrease in funds in Sommer's stored value account and gaming

account are “selectively caused” because the player “selects” the “amounts” to be transferred. (E1006, [0076], [0075]; E1001, ¶295).

14. Claim 19: “The system for the gaming environment of claim 18, wherein the gaming account is any of a casino level player account, brick-and-mortar wagering account, race-and-sports wagering account, and an internet gaming wagering account.”

296. Sommer discloses that the gaming account is at least a “casino level player account” for the same reasons as I provided in claim 6 above. Additionally, because Sommer’s casino is a physical environment where wagers can be made in person, Sommer’s “player account” is also a brick-and-mortar wagering account.

15. Claim 20

a. [20.1] The system for the gaming environment of claim 18, further comprising: a gaming device comprising means for receiving a player identifier,

297. Sommer teaches a gaming device comprising means for receiving a player identifier for the same reasons I discuss above in connection with limitation 1.1.

298. Moreover, Sommer uses the same structure disclosed in the specification of the ‘708 Patent for performing the function of receiving a player identifier. In particular, the ‘708 Patent discloses that “means for receiving a player identifier” includes a card reader in which a player card may be scanned or swiped. (E1002, 11:54-58) (“the particular type of input device 678 used to read the player identifier 670” can include “a magnetic card reader” or “an optical scanner”).

299. Sommer discloses a “gaming device.” (E.g., E1006, [0003], [0006], [0022], [0023]). Moreover, Sommer’s gaming device uses the same structure for receiving a player identifier as the ‘708 Patent. In particular, Sommer discloses “presenting a player identifier [to] a gaming device” “by *swiping a player card.*” (E1006, [0022].) Accordingly, the gaming device’s card reader (i.e. the component which necessarily receives the card swipe) thus comprises means for receiving a player identifier. (See also claim element [1.1])

- b. [20.2] and wherein the non-transitory computer readable medium comprises instructions which when executed by a processor cause the processor to: receive a player identifier of the player; and**

300. Sommer discloses this element for the same reasons as element [1.1] of Claim 1. A player may swipe his/her debit card and/or player tracking card to provide player card information that identifies the player. (E1006, [0022], [032].) Also as discussed in limitations [1.1] and [18.7], the functionality of Sommer’s Power Bank gaming server—the structure which receives the player identifier from the gaming device—is implemented by instructions stored on its permanent storage (*non-transitory computer readable medium*). (E1006, [0027], Claims 26, 38, 46, 47, 51, 57, 63, 71, 72;.

- c. **[20.3]based at least partially on the player identifier, determine the stored value account that is linked to the loyalty account.**

301. Sommer discloses based at least partially on the player identifier, determining the stored value account that is linked to the loyalty account.

302. The analysis regarding claim element [1.3] above shows how Sommer teaches identifying a stored value account based at least partially on the player identifier. Claim element [18.6] shows how Sommer teaches linking the loyalty account to the stored value account. Together, the discussion of those limitations indicate that this limitation is disclosed by Sommer.

303. Moreover, Sommer expressly teaches the gaming server having instructions that “identif[y]” one or more “account number[s]” at a “financial institution” (*stored value account*) “with” / “based” on “at least the casino-issued player identifier” which is “associated” with a “player account” (*loyalty account*). (E1006, [0027], Claims 26, 46, 47, 51, 71, 72). Accordingly, a POSA would understand Sommer as disclosing this limitation.

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I understand and have been warned that willful false statements and the like are punishable by fine or imprisonment, or both (18 U.S.C. § 1001). I declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true, and further, that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under § 1001 of title 18 of the United States Code.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on March 11, 2022.



Dwight Crevelt

APPENDIX A

Dwight E. Crevelt

502 E 560th Rd
Walnut Grove MO 65770
702-858-8294

Dwight Crevelt is a Businessman, Engineer and Author with over 45 years experience in the gaming industry, including extensive work with Gaming Regulators and Agencies worldwide. Dwight also provides expert witness services for patent infringement cases.

Dwight is co-author of the books Slot Machine Mania and Video Poker Mania. Also, he is believed to be the author of the first Computer Program Disassembler, it was written for CDC160/NCR310 in 1971. He holds the 6 patents as inventor for Cashless and Progressive Gaming Systems.

Education:

Received BS in Computer Engineering from Iowa State University - 1979
Attended the US Naval Academy - 1975-77
Attended University of Las Vegas - 1973-74
Graduated from Chaparral High School - 1975

Experience:

Crevelt Computer System, Inc. - President/Owner 1977-present
Gaming Business Consulting/Engineering Development, Expert Services

7C's Winery – Co-owner 2005- Present

FootTraffic Promotional Gaming LLC - Partner 1998- 2013
Provides promotional games to Casinos, Retail and Trade Shows

International Game Technology -
Product Manager Cashless Applications 1995-1996
Prepare business plan and strategies for implementing cashless gaming products. Including the use of Smartcards, ATM/Debit cards and Internet Gaming.

Manager/Director Las Vegas Engineering 1991-1995
Responsible for design, development and implementing player tracking and accounting systems. This included responsibility for the development, deployment and support of over 150 installations of the SMART System and the first cashless system utilized by Caesar's Palace, Las Vegas.

Electronic Data Technologies - Special Projects 1988-1991
Technical Gaming Regulatory Liaison
Evaluate new technologies and prepare business plans for their implementation.

Crevelt Computer System - IGT/EDT Contract 1984-1986
Designed and developed the first complete on-line Player Tracking System.

Experience: (continued)

Mills-Jennings - Director of Corporate Research 1981

Primary Gaming Regulatory Liaison

Assembled an R&D team for the development of a complete line of video gaming machines and an on-line accounting system.

Sircoma (IGT) - computer engineer 1979-80

Developed various gaming machines.

Technical Gaming Control Liaison

United Audio Visual - software engineer 1977

Developed Audio / Video Controllers

Gamex Industries - software engineer 1974-75

Designed and developed an on-line Slot Accounting and Monitoring System.

Maintained Gamex's on-line Casino Table Game Accounting System.

Member of the following organizations:

US Navy League

National Eagle Scout Association

American Philatelic Society

Listed in the following Biographies:

Marquis Who's Who in the West

Marquis Who's Who in the World

Marquis Who's Who in Finance and Industry

Marquis Who's Who of Emerging Leaders in America

IBC Men of Achievement

APPENDIX B

Legal Actions Since 2012 Dwight Crevelt

Retained as Expert by Genesis Gaming in Inter Partes Reexamination 1/2012

Retained as expert by Aristocrat in Arbitration with IGT 10/2012

Retained by Sony in 8/2012
Inter Partes Reexamination No. 95/002,013

Retained by WMS in MGT Gaming vs. WMS Gaming 6/2013
Mississippi 3:12-CV-741-CWR-FKB
Inter Partes Review

Retained by Sony in Agincourt Gaming LLC v Sony Online Entertainment LLC et al 6/2014
Inter Partes Review

Retained by Marks Studios LLC in Konami Gaming Inc v Marks Studio LLC 4/2015
No. 2:14-CV-01485 (D.N.J)

Retained by Aristocrat in IGT v Aristocrat Technologies Inc 5/2015

Retained by Aristocrat Technologies Inc 6/2015
for Inter Partes Review

Retained by Ubisoft Inc in Agincourt Gaming LLC v Ubisoft, Inc 7/2015
No. 1:15-cv-00351-RGA Delaware

Retained as Expert for Marks Studio in PTT/High5 vs Marks Studio et al 12/2015

Retained as Expert for Aruze Gaming in Universal Entertainment vs Aruze Gaming 2/2019
No. 2:18-cv-00585 (D NV)

Retained by Savvy Dog Systems in Savvy Dog Systems, LLC and POM of Pennsylvania, LLC
v. Pennsylvania Coin, LLC and PA Coin Holdings, Inc. 6/2020 No. 3:19-cv-01470-JPW (D PA)