

United States District Court,  
D. Nevada.

**SHUFFLE MASTER, INC., a Nevada corporation,**  
Plaintiff.

v.

**VENDINGDATA CORPORATION, et al,**  
Defendants.

No. CV-S-02-0438-JCM (PAL)

**March 31, 2004.**

Don W. Martens, Irfan A. Lateef, Jon W. Gurka, Joseph R. Re, Paul A. Stewart, Knobbe, Martens, Olson & Bear, Irvine, CA, Donald J. Campbell, J. Colby Williams, Campbell & Williams, Las Vegas, NV, for Plaintiff.

Donald J. Mizerk, Giel Stein, Kimball R. Anderson, Matthew R. Osenga, Donald J. Mizerk, Winston & Strawn, Chicago, IL, Gordon A. Coffee, Winston & Strawn, San Francisco, CA, Ivan J. Mlachak, Pro Hac Vice, Phoenix, AZ, Michael J. McCue, W. West Allen, Lewis & Roca, LLP, Las Vegas, NV, Peter E. Perkowski, Stephen R. Smerek, Winston & Strawn, Los Angeles, CA, for Defendants.

### ***ORDER***

**PEGGY A. LEEN, United States Magistrate Judge.**

This matter was referred to the undersigned for a *Markman* hearing to determine issues of patent claim construction. *Markman v. Westview Instruments, Inc.*, 517 U.S. 370, 390, 116 S.Ct. 1384, 134 L.Ed.2d 577 (1996) (patent claim construction defines the scope of the patentee's rights and is a question of law decided by the court). The court has considered the arguments of the parties at a hearing conducted October 24, 2003, and the following documents and exhibits: defendants' Motion for Claim Interpretation (# 70); Declaration of Sarah Barone Schwartz in Support of Defendants' Motion for Claim Interpretation (# 71); plaintiff Shuffle Master, Inc.'s, Claim Construction Brief (# 73); defendants' Opposition to Plaintiff Shuffle Master's Claim Construction Brief (# 83); plaintiff's Response to Defendants' Claim Construction Brief (# 86); defendants' Reply to Plaintiff's Claim Construction Brief (# 88); and the Transcript of the *Markman* hearing (# 98).

### ***BACKGROUND***

This is an action brought by plaintiff Shuffle Master, Inc. ("Shuffle Master") for patent infringement. Shuffle Master claims defendants infringed Claims 9 through 13, 16 through 19, and 21 of U.S. Patent # 6,068,258 (the "258 patent") and Claims 8, 9, 15, and 16 of U.S. Patent # 6,325,373 (the "373 patent"). The patents involve a method and apparatus for automatically cutting and shuffling playing cards.

## DISCUSSION

### I. Legal Standard for Claims Construction

Patent infringement analysis involves two steps: 1) "the proper construction of the asserted claim;" and 2) "a determination as to whether the accused method or product infringes the asserted claim as properly construed." *Vitronics Corp. v. Conceptronic, Inc.*, 90 F.3d 1576, 1581-82 (Fed.Cir.1996), *citing*, *Markman*, 52 F.3d 967, 976 (Fed.Cir.1995) (en banc), *aff'd*, 517 U.S. 370, 116 S.Ct. 1384, 134 L.Ed.2d 577 (1996). "Interpretation and construction of patent claims is a matter of law for determination exclusively by the court." *Sandisk Corp. v. Lexar Media, Inc.*, 1999 WL 129512, at (N.D.Cal. Mar.4, 1999). *See also* *Affymetrix, Inc. v. Hyseq, Inc.*, 132 F.Supp.2d 1212, 1218 (N.D.Cal.2001), *citing*, *Markman*, 517 U.S. 370, 116 S.Ct. 1384, 134 L.Ed.2d 577 (1996). In *Markman*, "[t]he Supreme Court also acknowledged that the Court's role was limited to interpreting the contents of the patent as a document, leaving to the jury the interpretation of the construction of the devices alleged to infringe the patent-and that the line drawn between these roles may be a fine one." *Chad Industries, Inc. v. Automation Tooling Systems, Inc.*, 938 F.Supp. 601, 603-04 (C.D.Cal.1996), *citing*, *Markman*, 517 U.S. at 379. While the proper construction of the claims asserted is a matter for the court, "claim construction is 'not an obligatory exercise in redundancy' and therefore does not require the court to repeat or restate every claim term." *Wesley Jessen Corp. v. Coopervision, Inc.*, 2002 WL 480570, at \*1 (C.D.Cal.2002), *quoting*, *Macrovision Corp. v. Dwight Cavendish Dev. Ltd.*, 105 F.Supp.2d 1070, 1072 (N.D.Cal.2000). The court's duty at the claim construction stage is only to interpret disputed claims. *Id.* *See also* *Wang Labs, Inc. v. Mitsubishi Elect. Amer., Inc.*, 103 F.3d 1571, 1583 (Fed.Cir.1997).

To construe the asserted claims, "the court should look first to the intrinsic evidence of record, i.e., the patent itself, including the claims, the specification and, if in evidence, the prosecution history." *Sandisk*, 1999 WL 129512, at \*1. *quoting*, *Vitronics*, 90 F.3d at 1582. The intrinsic evidence "is the most significant source of the legally operative meaning of disputed claim language." *Vitronics*, 90 F.3d at 1582. In examining the intrinsic evidence, the court must look first to the words of the claims themselves. *Affymetrix*, 132 F.Supp.2d at 1218. *See also* *Vitronics*, 90 F.3d at 1582; *Bell Comm. Research, Inc. v. Vitalink Comm. Corp.*, 55 F.3d 615, 620 (Fed.Cir.1995); *North Amer. Vaccine, Inc. v. Amer. Cyanamid Co.*, 7 F.3d 1571, 1575 (Fed.Cir.1993), *cert. denied*, 511 U.S. 1069, 114 S.Ct. 1645, 128 L.Ed.2d 365 (1994). The plain language of the claim defines the boundaries and scope of the claim. *Teleflex, Inc. v. Ficosa North Amer. Corp.*, 299 F.3d 1313, 1324 (Fed.Cir.2002), *citing*, *Bell Comm.*, 55 F.3d at 619-20. "[T]he language of the claim frames and ultimately resolves all issues of claim interpretation." *Id.*, *quoting*, *Abtox, Inc. v. Exitron Corp.*, 122 F.3d 1019, 1023 (Fed.Cir.1997). It is the claims, not the specification, that "provide the measure of the patentee's right to exclude." *Johnson & Johnston Assoc., Inc. v. R.E. Service Co., Inc.*, 285 F.3d 1046, 1052 (Fed.Cir.2002), *citing*, *Milcor Steel Co. v. George A. Fuller Co.*, 316 U.S. 143, 146, 62 S.Ct. 969, 86 L.Ed. 1332 (1942).

The language of the claims "must be construed objectively, as 'one skilled in the art would construe [it].'" *Chad Industries*, 938 F.Supp. at 608, *citing*, *SmithKline Diag. v. Helena Lab Corp.*, 859 F.2d 878, 882 (Fed.Cir.1988). *See also* *Affymetrix*, 132 F.Supp.2d at 1218 (words to be given their ordinary and customary meaning unless it is clear from the specification and prosecution history that the inventor intended a different meaning). *Rexnord v. Laitram Corp.*, 274 F.3d 1336, 1342 (Fed.Cir.2001) (unless compelled otherwise, a court will give a claim term the full range of ordinary meaning as understood by persons skilled in the relevant art). While examination of the language of the actual claims is the court's first and foremost duty, the court should also interpret the claims in view of the specification. *See* *Vitronics*, 90

F.3d at 1582; *Affymetrix*, 132 F.Supp.2d at 1218. *citing*, *Renishaw PLC v. Marposs Societa' per Azioni*, 158 F.3d 1243, 1250 (Fed.Cir.1998). The court in *Vitronics* held that,

The specification contains a written description of the invention which must be clear and complete enough to enable those of ordinary skill in the art to make and use it. Thus, the specification is always highly relevant to the claim construction analysis. Usually, it is dispositive; it is the single best guide to the meaning of a disputed term.

90 F.3d at 1582. The court may also consider the prosecution history, if necessary. *Id.*

In the majority of cases, "an analysis of the intrinsic evidence alone will resolve any ambiguity in a disputed claim term." *Id.* at 1583. Moreover, in cases in which the intrinsic evidence "unambiguously describes the scope of the patent and defines the claim language," the court may not rely on extrinsic evidence of any kind. *Sandisk*, 1999 WL 129512, at \*2, *citing*, *Bell & Howard Doc. Mgmt. Co. Prods. v. Altek Systems*, 132 F.3d 701, 705-06 (Fed.Cir.1997). *See also* *Pall Corp. v. Micron Separations, Inc.*, 66 F.3d 1211, 1216 (Fed.Cir.1995). Citing *Vitronics*, the court in *Sandisk* explained that the rationale behind this type of claim construction is clear:

The claims, specification, and file history constitute the public record of the patentee's claim, a record on which the public is entitled to rely. In other words, competitors are entitled to review the public record, apply the established rules of claim construction, ascertain the scope of the patentee's claimed invention and, thus, design around the claimed invention.

1999 WL 129512, at \*2.

If however, the claim terms are still ambiguous after evaluating the intrinsic evidence, the court may look to extrinsic evidence, or any evidence external to the file wrapper of the patent. *Vitronics*, 90 F.3d at 1584. Examples of extrinsic evidence include expert testimony, inventor testimony, dictionaries, treatises, and articles. *Vitronics*, 90 F.3d at 1584. Prior art references may also be included in extrinsic evidence, even if those references are not cited in the patent history. *Vitronics*, 90 F.3d at 1584.

## **II. *The Parties' Positions***

The parties' claim construction briefs address two independent claims for each of the two patents at issue, Claims 9 and 17 of the '258 patent, and Claims 8 and 15 of the '373 patent. The parties agree that the Federal Circuit indulges a "heavy presumption" that a claim term carries its ordinary and customary meaning. *Johnson Worldwide Assocs., Inc. v. Zebco Corp.*, 175 F.3d 985, 989; *Gart v. Logitech, Inc.*, 254 F.3d 1334, 1341 (Fed.Cir.2001); *Kegel Co., v. A.M.F. Bowling, Inc.*, 127 F.3d 1420, 1427 (Fed.Cir.1997); *C.C.S. Fitness, Inc., v. Brunswick Corp.* ., 288 F.3d 1359, 1366 (Fed.Cir.2002). The parties also agree that there are four ways the heavy presumption of ordinary meaning can be overcome:

1. if the patentee acted as his own lexicographer and clearly set forth a definition of the disputed claim term in either the specification or prosecution history. *C.C.S. Fitness*, 28 F.3d at 1366;
2. if the intrinsic evidence shows that the patentee distinguished the term from prior art on the basis of a particular embodiment, expressly disclaimed subject matter, or described a particular embodiment as important to the invention. *Id.* at 1366-67;

3. if the claim term chosen by the patentee so deprived the claim of clarity as to require resort to the other intrinsic evidence for a definite meaning. *Id.*; and

4. if the patentee phrased the claim in step-or means-plus-function format. *Id.*

Finally, the parties agree that the court's *Markman* function can be performed by looking only to the intrinsic evidence of record, *i.e.*, the patent claims themselves, the written description or specification, and prosecution history. Neither party has offered extrinsic evidence in support of their claim construction briefs.

Shuffle Master argues that all of the terms in the asserted claim are simple and straight forward, should be given their ordinary meaning, and no claim construction is required. However, Shuffle Master has offered common dictionary definitions for the terms "registering" and "registered," "processing unit" and "randomly," with respect to the '258 patent, and for the terms "shuffler state information," "shuffle count," and "registering" with respect to the '373 patent if the court feels a dictionary definition would aid the jury. VendingData argues that a review of the intrinsic evidence supports a finding that something other than ordinary meaning was intended for terms of claims 9 and 17 of the '258 patent and claims 8 and 15 of the '373 patent. Specifically, VendingData urges the court to adopt its claim construction for the terms "card-moving mechanism", "registering use" or "registering the use" and "shuffler state information."

Having considered the parties' briefs, arguments, exhibits, and oral arguments, the court finds that the intrinsic evidence, *i.e.*, the language of the claims themselves, the specifications and prosecution history support Shuffle Master's position that the disputed terms should be given their ordinary meaning. VendingData has not rebutted the presumption that the claims are presumed to carry their ordinary meaning as understood by a person skilled in the relevant art. *See, Texas Digital Systems, Inc., v. Telegenix, Inc.*, 308 F.3d 1193, 1202 (Fed.Cir.2002). Specifically, the court finds the intrinsic evidence does not support VendingData's arguments that the disputed words in the claims were used in a manner clearly inconsistent with their ordinary dictionary definitions. Because the meaning of the claim terms are understandable to the jury without explanation, no claim construction is necessary. *See, U.S. Surgical Corp. v. Ethicon, Inc.*, 103 F.3d 1554, 1568 (Fed.Cir.1997).

#### **A. The '258 Patent**

Shuffle Master alleges VendingData has infringed on the independent claims of the '258 patent, claims 9 and 17.

Claim 9 describes:

An apparatus for shuffling playing cards comprising:

a card-moving mechanism; and

a counter for registering use of the apparatus.

Claim 17 describes:

A method for shuffling playing cards, said method comprising the steps of:

loading cards into a shuffling apparatus;

actuating the apparatus to form a group of shuffled cards; and

registering the use of the apparatus.

### 1. "Card Moving Mechanism"

VendingData argues the term "card-moving mechanism" requires claim construction. VendingData acknowledges that the term is not used in the patent description but asserts claim construction of this term is required because the specification discusses "a first card mover," a "second card mover," "a third card mover," and "card moving pickoff assemblies." VendingData argues that a review of the prosecution history of the '258 patent and its parent '035 application demonstrates the patentee defined the term "card moving mechanism" as one that required a "bi-directional movement of cards." VendingData points to the claim Examiner's statements rejection of claims 12, 17, 21, and 23 of the '035 application and the applicant's responses to support its argument the term "card moving mechanism" must be construed to include direction changes in the event of a jam. VendingData also argues that because the patentee distinguished the term "card moving mechanism" from prior art, he acted as his own lexicographer and defined the term to include direction changes in the event of a jam. Therefore, the presumption of ordinary meaning has been overcome and the court should construe the term "card moving mechanism" to mean:

a mechanism that moves cards and, in the event of a jammed shuffle,

changes the direction of normal card movement.

VendingData advances an alternative construction for the term "card moving mechanism" asserting the claim should be interpreted as a "means-plus-function" element or as equivalent to "means for moving cards" under the provisions of 35 U.S.C. s. 112, para. 6. As a means-plus-function element, VendingData urges the court to construe the term "card moving mechanism" to mean:

card moving pickoff assemblies 182, 184 and 186 or their equivalents, *i.e.*, the center pickoff assembly 182, including a pickoff roller 190 carrying at least two sticky pickoff fingers or tabs 191 one hundred eighty-degrees apart.

A review of this specification does not support VendingData's argument that the claim is limited as VendingData suggests. VendingData points to specification language discussing "a first card mover," "a second card mover," "a third card mover," and "card moving pickoff assembly" to support its argument ' "card moving mechanism" described in the specification is one that is for individual reengaging and moving cards from the top of the stack of cards in a magazine horizontally to another magazine." (Defendants' brief at 10: 15-17.) However, as Shuffle Master points out, defendants do not argue that the phrase "card moving mechanism" should be limited to mechanisms that move cards "from the top of the stack of cards." The court finds no support in the intrinsic evidence the patentee acted as his own lexicographer to define the term "card moving mechanism" as a mechanism that "in the event of a jammed shuffle, changes the direction of normal card movement" as VendingData argues. Moreover, VendingData's suggested construction of the term to include "a mechanism that moves cards" is consistent with ordinary meaning.

Finally, VendingData's citation to a portion of the specification that describes one example of the invention in which three mechanisms are used to move individual cards from the tops of three stacks of cards using devices known as pickoff assemblies is merely a reference to a specific example or preferred embodiment. It would be error, however, to limit the claim's scope by "importing a characteristic of a disclosed or preferred embodiment into that term ." *Generation II Orthotics, Inc., v. The Medical Technology, Inc.*, 263 F.3d 1356, 1367 (Fed.Cir.2001). Federal Circuit authority makes it "clear that an applicant is not required to describe in the specification every conceivable and possible future embodiment of its invention." *Rexnord Corp. v. Laitram Corp.*, 274 F.3d 1336, 1344. Or, as the Federal Circuit has stated:

"[I]f structural claims were to be limited to devices operated precisely as a specification-described embodiment is operated, there would be no need for claims. Nor could an applicant, regardless of the prior art, claim more broadly than that embodiment." *Id.* In short, it is the claims that measure the invention, as informed by the specification. As we noted long ago: "Specifications teach. Claims claim."

*Rexnord v. Laitram* at 1344, quoting, *S.R. Intn'l v. Matsushita Elec. Corp. of America*, 775 F.2d 1107, 1121 (Fed.Cir.1985) (en banc).

In short, the cited portions of the specification VendingData relies on does not support a limitation of the claims as VendingData suggests. It merely describes one example of the invention and does not establish that the patentee has acted as his own lexicographer to explicitly define the term as VendingData would have the court construe it, or that the patentee has disavowed or described the scope of coverage by using words or expressions that manifest exclusion or restriction. The court finds the specification does not limit the scope of the claims. The court also finds the prosecution history does not limit the scope of the claims and that the term "card moving mechanism" is not written as a means-plus-function claim element. The term "card moving mechanism" describes a structure, not a "means for" performing the function of moving cards. Therefore, the restrictions of 35 U.S .C. s. 112 para. 6 do not apply. *Watts v. X.L. Sys., Inc.*, 232 F.3d 877, 880-81 (Fed.Cir.2000).

## **2. "Registering Use" or "Registering the Use"**

VendingData argues that the terms "registering use" or "registering the use" are ambiguous at best because the dictionary provides multiple definitions of the terms "register" and "use." VendingData also argues that the patentee acted as his own lexicographer and defined the terms "registering use" or "registering the use" in two different ways in the written description of the patent such that the term "register" means "in alignment" and the term "use" relates to shuffling cycles. In turn, VendingData argues the shuffling cycle refers to a selected number of riffles sufficient to adequately and completely shuffle the cards. VendingData supports its argument by referring to the written description and prosecution history. It urges the court to construe the terms "registering use" or "registering the use" to mean:

counting the number of shuffling cycles the machine has performed, thereby facilitating the determination of a lease rate or sales price based on accurate quantification of use of the machine, where a "shuffle cycle" is a selected number of riffles sufficient to adequately and completely shuffle the cards.

The court finds VendingData has not rebutted the presumption of ordinary meaning with respect to the terms "registering use" or "registering the use." While it is true that a standard dictionary provides multiple definitions for the terms "register" and "use," Federal Circuit authority makes it clear that, "If more than one

dictionary definition is consistent with the use of the words in the intrinsic record, the claim terms may be construed to encompass all consistent meanings." *Brookhill-Wilk, LLC v. Intuitive Surgical, Inc.*, 326 F.3d 1215, 1222 (Fed.Cir.2003). It is also well established that, "Where there are several common meanings for a claim term, the patent disclosures serve to point away from the improper meanings and toward the proper meanings." *Id.*, quoting, *Renishaw PLC v. Marposs Societa 'per Azioni*, 158 F.3d 1243, 1250 (Fed.Cir.1998). Viewed in the context of the intrinsic record before the court, it is clear the term "registering use" refers to recording, indicating or making note of the amount of use of the shuffler. The claim term is not limited to the number of times the shuffler has completely shuffled a stack of cards as VendingData argues.

VendingData's reliance on the specification is equally unavailing. The citation to the specification relied upon is simply one embodiment of the claimed invention. The specification itself does not define the term "registering use." Rather, it uses the term "register" in a manner consistent with its ordinary meaning. Finally, the prosecution history does not support VendingData's proposed limitation. The portions of the prosecution history cited by VendingData consist of an exchange between the patent Examiner and Shuffle Master. The patent Examiner rejected three of Shuffle Master's claims as originally filed, concluding that the prior art Stevens Patent, U.S. Patent No. 5,000,453, described an automatic shuffler and card shuffling method that were identical to the shuffler and shuffling method cited in Shuffle Master's pending claims. (Schwartz Decl., Exhibit 8, '258 Patent Prosecution History, at SM0363-64). Shuffle Master responded by amending its claims and deleting the requirement that the shuffler count "the number of shuffling cycles." The amended claims required a counter "for registering the use of the apparatus." *Id.* at SM0372-76. Shuffle Master explained to the Examiner that this change from counting shuffling cycles to tracking the amount of use of the apparatus distinguished Shuffle Master's invention from the Stevens' shuffler. *Id.* at SM0377. It seems clear to the court in reviewing the prosecution history that Shuffle Master's remarks to the Examiner explain how its claims were intended to cover registering or quantifying the use of the apparatus to facilitate a lease rate or sales price based on the use of the shuffling apparatus as distinguished from the prior art that counted and displayed shuffling cycles to confirm the cards had been shuffled a sufficient number of times to be removed to the shoe assembly for security purposes. A patent applicant's remarks during prosecution will limit the scope of the claims only where the remarks are not to occlude the disclaimer of the claim's scope. "Absent a clear disclaimer of particular subject matter, the fact that the inventor anticipated that the invention may be used in a particular manner does not limit the scope to that narrow context." *Brookhill-Wilk*, 326 F.3d at 1223.

Finally, Shuffle Master points out Shuffle Master deleted the requirement of counting shuffle cycles in the claims as originally filed, and added the requirement that the counter "register use" of the shuffler. This clarification clearly communicated that registering the amount of use of the shuffler instead of simply counting shuffle cycles is what distinguish Shuffle Master's claims from the Stevens shuffler.

### ***B. The '373 Patent***

Shuffle Master alleges that VendingData has infringed on two independent claims of '373 patent, claims 8 and 15.

Claim 8 describes:

An automatic card shuffler comprising:

a card moving mechanism;

a multi-segment display device; and

a controller for controlling operation of the shuffler, wherein the controller is in communication with the multi-segment display device, wherein the shuffler displays on the multi-segment display shuffler state information.

Claim 15 describes:

A method for shuffling playing cards comprising:

loading cards into a shuffling apparatus;

actuating the apparatus to form a group of shuffled cards;

registering use of the apparatus; and

displaying an amount of use registered by the apparatus on a display device.

VendingData advances the same claims instruction for the terms "card moving mechanism" and "registering use" or "registering the use" with respect to the '373 patent. After reviewing the intrinsic evidence, the court finds VendingData has not rebutted the presumption of ordinary meaning for these terms with respect to the '373 patent as well. VendingData's citation to the Examiner's comments with respect to the term "registering use" do not persuade the court otherwise. The Federal Circuit has made it clear that an Examiner's comments cannot be used to "ascribe meaning not found in the claim language." *Eastman Kodak, Co., v. Goodyear Tire & Rubber, Co.*, 114 F.3d 1547, 1556 (Fed.Cir.1997). Last, even if the Examiner's comment was interpreted as VendingData's suggests, the court may not review the prosecution history evidence "to enlarge, diminish or vary the meaning of the claim language." *Id.* The terms "card moving mechanism," "registering use," and "registering the use" should be given their ordinary meaning with respect to the '373 patent, and no claim construction is required.

### **"Shuffler State Information"**

VendingData asks the court to construe the term "shuffler state information" to mean:

either a "shuffle counting" or "card counting," where "shuffle" means "riffle."

VendingData again argues that because the dictionary offers multiple definitions for the terms "state" and "information," the terms are ambiguous and require construction. VendingData acknowledges that the term "shuffler state information" is not used in the written description, but asserts the prosecution history reflects



that the patentee distinguished this claim term from the prior art Lorber patent by identifying shuffle counting and card counting as part of the display function of the shuffler. Thus, VendingData argues the patentee defined the term "shuffle cycle" for the '373 patent as "single riffle." Therefore, "shuffle counting" means "riffle counting."

The term "shuffler state information" appears in claims 8 and 9 of the ' 373 patent. VendingData concedes that the construction it offers is not the ordinary meaning of the term "shuffler state information." Although the terms "state" and "information" have multiple dictionary definitions, it does not take an exercise in genius to eliminate the dictionary definitions that do not apply to the claims described. The claim can easily be construed to encompass all consistent dictionary meanings. Viewed in the context of the intrinsic record before the court, it seems clear the term "shuffler state information" refers to information concerning the condition of the shuffler, or the machine that mixes the cards as described in the patent. VendingData has not overcome the presumption of ordinary meaning, and no claim construction is required.

For all of the foregoing reasons,

**IT IS ORDERED** the disputed terms should be given their ordinary meaning. No claim construction is required.

D.Nev.,2004.

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