Case: 1:03-cv-01357 Document #: 1 Filed: 02/24/03 Page 1 of 10 PageID #:1

IN THE UNITED STATES DISTRICT COURT

FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

SHUFFLE MASTER, INC.,

Plaintiff,

v.

Civil Action No.

WMS GAMING, INC. and BALLY
GAMING, INC.,

JURY TRIAL DEMANDED

COMPLAINT MACESTRATE JUDGE BOBRICK

The plaintiff, Shuffle Master, Inc. ("Shuffle Master"), brings this action for patent infringement against the defendants, WMS Gaming, Inc. ("WMS") and Bally Gaming, Inc. ("Bally") (collectively referred to as "Defendants"), and alleges as follows:

Defendants.

#### JURISDICTION AND VENUE

- 1. This is an action for patent infringement arising under the Patent Laws of the United States, 35 U.S.C. §1 et seq., alleging infringement of United States Patent No. 6,454,651 (Exhibit A).
- 2. This Court has exclusive subject matter jurisdiction over the patent infringement claims under 28 U.S.C. §§ 1331 and 1338(a).
  - 3. This Court has personal jurisdiction over the Defendants.
  - 4. Venue is proper under 28 U.S.C. §1391(c) and §1400(b).

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**PARTIES** 

5. Shuffle Master, Inc. is a Minnesota corporation with its principal place of business at 1106 Palms Airport Drive, Las Vegas, Nevada 89119.

- 6. On information and belief, WMS is a Delaware corporation with its principal place of business at 800 South Northpoint Blvd., Waukegan, Illinois 60085.
- 7. On information and belief, Bally is a Nevada corporation, with its principal place of business at 6601 South Bermuda, Las Vegas, Nevada 89119.

#### **PRODUCTS**

- 8. On information and belief, Defendants design, manufacture, and distribute gaming machines for use in casinos.
- 9. On information and belief, WMS makes, uses, offers to sell, sells, offers to lease and leases the following gaming machines: ·Monopoly -- Chairman of the Board, Monopoly -- Hot Properties, Monopoly -- Money Grab, Monopoly -- Once Around, and Monopoly -- Party Train. ·
- 10. On information and belief, Bally makes, uses, offers to sell, sells, offers to lease and leases the following gaming machines: Betty Boop -- Movie Star Betty, Blondie -- Double Feature, Cash Encounters, Gold Mine Bonus Poker, Lone Ranger, Popeye, Soap Opera, and 99 Bottles of Beer.

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#### THE PATENT

- 11. Shuffle Master is the owner of all right and interest in U.S. Patent No. 6,454,651 ("the '651 Patent") entitled "Method of Scoring a Video Wagering Game," duly and legally issued on September 24, 2002, to Mark L. Yoseloff.
- 12. In general, this patent covers video slot machines that have a secondary game multiplier.
- 13. The '651 Patent is valid and enforceable. The validity is evidenced by, among other things, the fact that a competitor with vast experience and resources in the industry has licensed the patent.

#### **COUNT I - PATENT INFRINGEMENT BY WMS**

#### (U.S. PATENT NO. 6,454,651)

- 14. Shuffle Master repeats and realleges the allegations in paragraphs 1-12 as though fully set forth herein.
- 15. WMS has infringed and is currently infringing, inducing infringement of, and/or contributing to the infringement of the '651 Patent, at a minimum, by making, using, selling, offering to sell, advertising, leasing, offering to lease, and/or marketing the following games:

  Monopoly -- Chairman of the Board, Monopoly -- Hot Properties, Monopoly -- Money Grab,
  Monopoly -- Once Around, and Monopoly -- Party Train.
- 16. WMS has caused and will continue to cause Shuffle Master substantial damage and irreparable injury by virtue of its continuing infringement of the '651 Patent.

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17. On information and belief, WMS has installed thousands of Monopoly-themed gaming machines in casinos throughout the United States. Further, on information and belief, WMS derives tens of millions of dollars in annual revenue from its Monopoly-themed gaming machines, many of which appear to infringe the '651 patent. For example, in 2002, WMS's revenue related to participation games, of which the Monopoly-themed gaming machines make up a significant percentage, was \$99 million.

18. Shuffle Master will suffer further damage and irreparable injury unless and until WMS is enjoined by this Court from continuing such infringement.

# COUNT II – PATENT INFRINGEMENT BY BALLY (U.S. PATENT NO. 6,454,651)

- 19. Shuffle Master repeats and realleges the allegations in paragraphs 1-12 as though fully set forth herein.
- 20. Bally has infringed and is currently infringing, inducing infringement of, and/or contributing to the infringement of the '651 Patent, at a minimum, by making, using, selling, offering to sell, advertising, leasing, offering to lease, and/or marketing the following games:

  Betty Boop -- Movie Star Betty, Blondie -- Double Feature, Cash Encounters, Gold Mine Bonus Poker, Lone Ranger, Popeye, Soap Opera, and 99 Bottles of Beer.
- 21. Bally has caused and will continue to cause Shuffle Master substantial damage and irreparable injury by virtue of its continuing infringement of the '651 Patent.
- 22. On information and belief, the Bally games that infringe the '651 patent account for a significant portion of Bally Gaming's total revenue related to gaming equipment and

systems of approximately \$86 million per quarter. Further, on information and belief the Bally games that infringe the '651 patent also account for a significant portion of the approximately 5,000 games sold per quarter and the approximately 3,900 daily fee games installed by Bally.

23. Shuffle Master will suffer further damage and irreparable injury unless and until Bally is enjoined by this Court from continuing such infringement.

WHEREFORE, Shuffle Master prays for the entry of judgment as follows:

- A. Declaring that Defendants have infringed the '651 Patent;
- B. Permanently enjoining and restraining WMS, its officers, directors, agents, servants, employees, licensees, successors, assigns, those in active concert and participation with them, and all persons acting on their behalf or within their control from:
- 1. Further acts of infringing the '651 Patent, including, but not limited to, making, using, selling, leasing, offering to sell or lease, importing, exporting, advertising or otherwise using, contributing to the use of, or inducing the use of the following games:

  Monopoly -- Chairman of the Board, Monopoly -- Hot Properties, Monopoly -- Money Grab, Monopoly -- Once Around, and Monopoly -- Party Train.
- 2. Transferring, moving, or otherwise disposing of the following games: Monopoly -- Chairman of the Board, Monopoly -- Hot Properties, Monopoly -- Money Grab, Monopoly -- Once Around, and Monopoly -- Party Train.
- C. Permanently enjoining and restraining Bally, its officers, directors, agents, servants, employees, licensees, successors, assigns, those in active concert and participation with them, and all persons acting on their behalf or within their control from:
- 1. Further acts of infringing the '651 Patent, including, but not limited to, making, using, selling, leasing, offering to sell or lease, importing, exporting, advertising or otherwise using, contributing to the use of, or inducing the use of the following games: Betty Boop -- Movie Star Betty, Blondie -- Double Feature, Cash Encounters, Gold Mine Bonus Poker, Lone Ranger, Popeye, Soap Opera, and 99 Bottles of Beer.
- 2. Transferring, moving, or otherwise disposing of the following games: Betty Boop -- Movie Star Betty, Blondie -- Double Feature, Cash Encounters, Gold Mine Bonus Poker, Lone Ranger, Popeye, Soap Opera, and 99 Bottles of Beer.
  - D. Requiring WMS to:

- 1. Send a copy of any decision in this case in favor of Shuffle Master to each person or entity to whom WMS sold, leased, or otherwise distributed the following games: Monopoly -- Chairman of the Board, Monopoly -- Hot Properties, Monopoly -- Money Grab, Monopoly -- Once Around, and Monopoly -- Party Train, and informing such persons or entities of the judgment and that the sale or solicited commercial transaction was wrongful.
- 2. Take all necessary steps within their power to recall and collect from all persons and entities any and all of the following games: Monopoly -- Chairman of the Board, Monopoly -- Hot Properties, Monopoly -- Money Grab, Monopoly -- Once Around, and Monopoly -- Party Train, that were made, sold, leased, or otherwise distributed by WMS or anyone acting on their behalf.
- 3. File with the Court and serve upon Shuffle Master, within 30 days after entry of final judgment in this case, a report in writing and subscribed under oath setting forth in detail the form and manner in which WMS has complied with the Court's orders as prayed for.

#### E. Requiring Bally to:

- 1. Send a copy of any decision in this case in favor of Shuffle Master to each person or entity to whom Bally sold, leased, or otherwise distributed the following games: Betty Boop -- Movie Star Betty, Blondie -- Double Feature, Cash Encounters, Gold Mine Bonus Poker, Lone Ranger, Popeye, Soap Opera, and 99 Bottles of Beer, and informing such persons or entities of the judgment and that the sale or solicited commercial transaction was wrongful.
- 2. Take all necessary steps within their power to recall and collect from all persons and entities any and all of the following games: Betty Boop -- Movie Star Betty, Blondie -- Double Feature, Cash Encounters, Gold Mine Bonus Poker, Lone Ranger, Popeye, Soap Opera, and 99 Bottles of Beer, that were made, sold, leased, or otherwise distributed by Bally or anyone acting on their behalf.
- 3. File with the Court and serve upon Shuffle Master, within 30 days after entry of final judgment in this case, a report in writing and subscribed under oath setting forth in detail the form and manner in which Bally has complied with the Court's orders as prayed for.
- F. Awarding Shuffle Master its patent infringement damages and pre-judgment interest pursuant to 35 U.S.C. §284;
  - G. Awarding Shuffle Master its costs and attorneys' fees; and
- H. Granting Shuffle Master such other and further relief as justice and equity may require.

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#### **JURY DEMAND**

Shuffle Master requests a jury trial.

DATED this 24th day of February, 2003

Respectfully Submitted,

Robert G. Krupka, P.C.

Barry F. Irwin

Thomas G. #asternak

Michael P. Bregenzer

KIRKLAND & ELLIS

200 East Randolph Drive

Chicago, Illinois 60601

(312) 861-2000

Attorneys for Shuffle Master, Inc.

JS 44 (Rev. 12/96)

## **CIVIL COVER SHEET**

by law, except as provided be of the Clerk of Court for the	ov local rules of court. Thi	is form, approved	by the J	udicial Conference of the	United States	in Septembi	er 1974. is require	as neo	TUITED TO USE	
I. (a) PLAINTIFFS				DEFENDANTS						
Shuffle Master, Inc.				WMS Gam	WMS Gaming, Inc.					
Shuffle Master, Inc.				Bally Gaming, Inc.						
(b) COUNTY OF RESIDENCE OF FIRST USTED PLAINTIFF Clark County, Nevada				COUNTY OF RESIDENCE OF FIRST LISTED DEFENDANT						
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(C) ATTORNEYS (FIRM NAME, ADDRESS, AND TELEPHONE NUMBER)				ATTORNEYS (IF KNOWN)			~		Company of	
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Case: 1:03-cv-01357 Document #: 1 Filed: 02/24/03 Page 9 of 10 PageID #:9

# UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF ILLINOIS

In the Matter of

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**Eastern Division** 

SHUFFLE MASTER, INC.

JUDGE COAR

WMS GAMING, INC. and BALLY GAMING, INC.

1357

APPEARANCES ARE HEREBY FILED BY THE UNDERSIGNED AS ATTORNEY(S) FOR:

MAGISTRATE JUDGE BOBRICK
SHUFFLE MASTER, INC.

Case Number

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SIGNATURE / of Mulpha	SIGNATURE CONTESTION TO				
Robert G. Krupka, P.C.	Barry F. Irwin				
Kirkland & Ellis	Kirkland & Ellis				
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Chicago, Illinois 60601	Chicago, Illinois 60601				
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IDENTIFICATION NUMBER (SEE ITEM 4 ON REVERSE) 1536508	IDENTIFICATION NUMBER (SEE ITEM 4 ON REVERSE)				
MEMBER OF TRIAL BAR?  YES  NO	MEMBER OF TRIAL BAR?  YES  NO  NO				
TRIAL ATTORNEY? YES V NO	TRIAL ATTORNEY? YES V NO NO				
	DESIGNATED AS LOCAL COUNSEL?  YES NO NO				
(C)	(D)				
SIGNATURE (C)	SIGNATURE (D)				
NAME Thomas Pasternak					
NAME	SIGNATURE SIGNAT				
Thomas Pasternak  FIRM Kirkland & Ellis  STREET ADDRESS 200 East Randolph Drive	NAME Michael P. Bregenzer				
Thomas Pasternak FIRM Kirkland & Ellis STREET ADDRESS	NAME Michael P. Bregenzer  FIRM Kirkland & Ellis STREET ADDRESS				
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Thomas Pasternak  FIRM Kirkland & Ellis  STREET ADDRESS 200 East Randolph Drive  CITY/STATE/ZIP Chicago, Illinois 60601  TELEPHONE NUMBER	NAME Michael P. Bregenzer  FIRM Kirkland & Ellis  STREET ADDRESS 200 East Randolph Drive  CITY/STATE/ZIP  Chicago, Illinois 60601  TELEPHONE NUMBER				
Thomas Pasternak  FIRM Kirkland & Ellis  STREET ADDRESS 200 East Randolph Drive  CITY/STATE/ZIP Chicago, Illinois 60601  TELEPHONE NUMBER (312) 861-2000  IDENTIFICATION NUMBER (SEE ITEM 4 ON REVERSE)	NAME Michael P. Bregenzer  FIRM Kirkland & Ellis  STREET ADDRESS 200 East Randolph Drive CITY/STATE/ZIP Chicago, Illinois 60601  TELEPHONE NUMBER (312) 861-2000  IDENTIFICATION NUMBER (SEE ITEM 4 ON REVERSE)				
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### U. TED STATES DISTRICT COURT NORTHERN DISTRICT OF ILLINOIS

In the Matter of

Eastern Division

SHUFFLE MASTER, INC.

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WMS GAMING INC and BALLY GAMING, INC.

Case Number:

JUDGE COAR

WIND GAMING, INC. and BALLI GRAMING, INC.	A (A)
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MS) FOR: 1 350°C

SHUFFLE MASTER, INC.

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Kirkland & Ellis	Kirkland & Ellis
street address 200 East Randolph Drive	street address 200 East Randolph Drive
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MEMBER OF TRIAL BAR?  YES NO	MEMBER OF TRIAL BAR?  YES NO
TRIAL ATTORNEY? YES V NO	TRIAL ATTORNEY?
	DESIGNATED AS LOCAL COUNSEL?
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SIGNATURE	SIGNATURE TO SO
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MEMBER OF TRIAL BAR?  YES NO NO	MEMBER OF TRIAL BAR?  YES NO NO
TRIAL ATTORNEY? YES NO	TRIAL ATTORNEY? YES NO NO
DESIGNATED AS LOCAL COUNSEL?  YES NO	DESIGNATED AS LOCAL COUNSEL?  YES  NO  NO