

Reno attorney wins in big cash-validator patent case

BY JOHN SEELMEYER

The biggest challenge of his job, says Reno attorney Michael Rounds, is boiling down complicated information about a patent so a jury can understand it quickly.

He did that job well enough that a Las Vegas jury awarded his client, JCM Global, more than \$11.4 million in damages this month after deciding that a competitor infringed on a JCM patent.

The case centered on a patented mechanism developed by JCM to stack bills after they're inserted into a slot machine and validated. JCM says its mechanism works more smoothly than those of competitors, reducing the amount of time that slots are out of service.

And that, Rounds argued for JCM, provides a significant competitive advantage for JCM.

After a competitor, MEI Group of West Chester, Pa., introduced a similar mechanism, JCM Global went to court in 2005.

That patent case came after MEI and its former parent company, Mars Inc., filed patent infringement cases of their own against JCM in New Jersey. That case, which was handled for JCM by a Los Angeles law firm, has been dismissed.



Rounds

Rounds, who devotes much of his time at the law firm of Watson Rounds to patent cases, spent the past couple of years educating himself about the arcane world of bill validators, cash boxes and pusher devices.

He talked with JCM executives, the inventors and others with expertise to make sure he could describe the invention clearly enough for jurors to understand, but precisely enough to ensure an accurate legal record.

"Taking the complex and simplifying — that's the key," Rounds said. "It's also stressful. There's a lot at stake."

Rounds was referred to JCM to handle the case on the basis of work he'd done for Sierra Design Group, a Reno-based designer of gaming equipment.

JCM — the initials stand for "Japan Cash Machine" — is a Tokyo-based company with operations worldwide.

"We knew we were on the right side of the law, and now our claims have been validated," said Akiyoshi Isoi, president and chief executive officer of JCM.

Executives of the losing firm describe the case as no big deal, saying MEI will need to use two rivets instead of two screws in the assembly of the company's cashbox after the decision.

Still, Tom Shuren, MEI's chief technology officer, said this month the company is considering a possible appeal of the Las Vegas jury's verdict.