

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ZYNGA INC.,
Petitioner,

v.

IGT,
Patent Owner.

IPR2022-00223
Patent 7,303,473 B2

Before MEREDITH C. PETRAVICK, SCOTT A. DANIELS, and
BARBARA A. PARVIS, *Administrative Patent Judges*.

PETRAVICK, *Administrative Patent Judge*.

DECISION
Granting Institution of *Inter Partes* Review
35 U.S.C. § 314

I. INTRODUCTION

Petitioner Zynga Inc. filed a Petition (Paper 1, “Pet.”) requesting *inter partes* review of claims 1–37 of U.S. Patent No. 7,303,473 B2 (Ex. 1001, “the ’473 patent”). Patent Owner IGT filed a Preliminary Response (Paper 6, “Prelim. Resp.”). With our authorization, Petitioner filed a Preliminary Reply to Patent Owner’s Preliminary Response (Paper 8, “Prelim. Reply”) and Patent Owner filed a Preliminary Sur-reply (Paper 9, “Prelim. Sur-reply”).

Under 35 U.S.C. § 314(a), an *inter partes* review may not be instituted unless the information presented in the Petition and any response thereto shows “there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.”

For the reasons discussed below, we determine that Petitioner shows a reasonable likelihood that at least one of the challenged claims is unpatentable. Accordingly, we institute *inter partes* review of the ’473 patent.

A. Related Matters

The parties state that the ’473 patent was asserted in *IGT v. Zynga Inc.* Case No. 6:21-cv-00331, (W.D. Tex.). Pet. 3; Paper 4, 1.

Petitioner and Patent Owner are parties to the following additional *inter partes* review proceedings: IPR2022-00199 (U.S. Patent No. 7,168,089), IPR2022-00200 (U.S. Patent No. 8,795,064), and IPR2022-00368 (U.S. Patent No. 8,266,212). Petitioner informs us that, other than being directed to the same general technological field, these patents are not directly related to the ’473 patent. Pet. 3.

B. The '473 Patent

The '473 patent is titled “Network Gaming System” and issued on December 4, 2007. Ex. 1001, codes (54), (45). The '473 patent “is directed to a networked gaming system that may include a website server which may be accessed by a plurality of players via remotely located player terminals.” *Id.* at 1:5–7.

Figure 1 of the '473 patent is reproduced below.

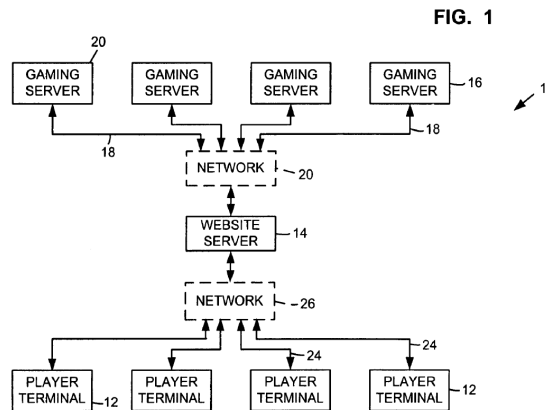


Figure 1 is a block diagram illustrating an embodiment of gaming system 10. Ex. 1001, 3:23–24. Gaming system 10 includes a plurality of remote player terminals 12, a website server 14, and a plurality of gaming servers 16 operatively coupled to the website server 14 via a plurality of data links 18, a network 20, and data link 22 connected between network 20 and website server 14. *Id.* at 4:41–48. The '473 patent describes that “[d]uring operation, a player could utilize one of the player terminals 12 to logon to the website serviced by the website server 14 in order to play various wagering games, such as poker, blackjack, slots, bingo or keno.” *Id.* at 5:23–26.

C. Challenged Claims

Petitioner challenges claims 1–37. Pet. 1. Claims 1, 9, 16, 22, 27, 29, and 33 are independent claims. Ex. 1001, 19:15–26:35. Claims 2–8 depend

(directly or indirectly) from claim 1, claims 10–15 depend (directly or indirectly) from claim 9, claims 17–21 depend (directly or indirectly) from claim 16, claims 23–26 depend (directly or indirectly) from claim 22, claim 28 depends from claim 27, claims 30–32 depend from claim 29, and claims 34–37 depend from claim 33. *Id.*

Claims 1 and 33 are illustrative and claim 1 is reproduced below with Petitioner's labeling of the limitations added in bracketing (Ex. 1014).

[1(pre)] 1. A gaming system that allows players to play games via a plurality of remote player devices, said gaming system comprising:

[1(a)] a first gaming server that facilitates play of a first game by a player utilizing one of said remote player devices, said first gaming server comprising a controller that comprises a processor and a memory in which image data corresponding to a video image representing said first game is stored, said controller being programmed to facilitate play of said first game and said first game being one of the following games: poker, blackjack, slots, keno or bingo;

[1(b)] a second gaming server that facilitates play of a second game by a player utilizing one of said remote player devices, said second game being different than said first game, said second gaming server comprising a controller that comprises a processor and a memory in which image data corresponding to a video image representing said second game is stored, said controller of said second gaming server being programmed to facilitate play of said second game and said second game being one of the following games: poker, blackjack, slots, keno or bingo; and

[1(c)] a website server that is capable of being operatively coupled via the Internet to said remote player devices, said website server capable of being operatively coupled to said first and second gaming servers, said website server comprising:

- [1(d)] a controller that comprises a processor and a memory;
and
- [1(e)] a network communications circuit coupled to said controller of said website server, said network communications circuit allowing data to be communicated between said controller of said website server and said remote player devices,
- [1(f)] said controller of said website server being programmed to select logon display data and to cause said logon display data to be transmitted to one of said remote player devices via said network communications circuit when said one remote player device is operatively coupled to said website server,
- [1(g)] said controller of said website server being programmed to cause player data received from said one remote player device to be stored in memory,
- [1(h)] said controller of said website server being programmed to cause data representing a game selection display to be transmitted to said one remote player device, said game selection display comprising a first image representing said first game and a second image representing said second game,
- [1(i)] said controller of said website server being programmed to receive data representing a game selection from said one remote player device,
- [1(j)] said controller of said website server being programmed to determine whether said data representing said game selection corresponds to said first game or said second game;
- [1(k)] said controller of said website server being programmed to determine whether to select said first gaming server or said second gaming server based on said game selection received from said one remote player device;
- [1(l)] said controller of said website server being programmed to select said first gaming server for data

communication between said one remote player device and said first gaming server if said player selected said first game for play, and

[1(m)] said controller of said website server being programmed to select said second gaming server for data communication between said one remote player device and said second gaming server if said player selected said second game for play.

Ex. 1001, 19:15–20:19.

Claim 33 is also illustrative and reproduced below.

33. A method of operating a gaming apparatus, comprising:

transmitting first game display data from said gaming apparatus to a website computing apparatus, said first game display data representing a first game image relating to a game that may be played via a player device that is remote from said website computing apparatus and that is remote from said gaming apparatus, said first game display data being included in a data communication having a destination address that specifies said player device;

receiving wager data from said website computing apparatus, said wager data being included in a data communication having a source address that specifies said player device;

transmitting second game display data from said gaming apparatus to said website computing apparatus, said second game display data representing a second game image relating to said game, said second game display data being included in a data communication having a destination address that specifies said player device; and

transmitting outcome data from said gaming apparatus to said website computing apparatus, said outcome data representing an outcome of said game, said outcome data being included in a data communication having a destination address that specifies said player device.

Id. at 25:16–26:5.

D. Asserted Grounds of Unpatentability

Petitioner asserts the following ground(s) of unpatentability:

Claim(s) Challenged	35 U.S.C. §	Reference(s)/Basis
1, 2, 4, 8–10, 12, 16, 18, 22, 24, 27–32	103(a)	Sparks, ¹ Wiltshire ²
3, 11, 17, 23	103(a)	Sparks, Wiltshire, Hawkins ³
5, 13, 19, 25	103(a)	Sparks, Wiltshire, Moody ⁴
6, 7, 14, 15, 20, 21, 26	103(a)	Sparks, Wiltshire, Schneier ⁵
33–37	103(a)	Sparks, Wiltshire, Joshi, ⁶ Schneier

Pet. 6. In addition to the references listed above, Petitioner relies on the Declaration of Dr. Sandeep Chatterjee (Ex. 1003).

II. ANALYSIS

A. Discretionary Denial Under 35 U.S.C. § 314(a)

Patent Owner contends we should exercise our discretion under 35 U.S.C. § 314(a) to deny institution of *inter partes* review because the '473 patent is also challenged in *IGT v. Zynga Inc.* Case No. 6:21-cv-00331 (W.D. Tex.) (“the district court litigation”). Prelim. Resp. 1–38 (citing *e.g.*,

¹ Sparks, II, U.S. Patent No. 6,352,479 B1, issued March 5, 2002 (Ex. 1004) (“Sparks”).

² Wiltshire et al., U.S. Patent No. 6,409,602 B1, issued June 25, 2002 (Ex. 1005) (“Wiltshire”).

³ Hawkins et al., U.S. Patent No. 6,009,458, issued December 28, 1999 (Ex. 1006) (“Hawkins”).

⁴ Moody, U.S. Patent No. 6,098,985, issued August 8, 2000 (Ex. 1007) (“Moody”).

⁵ Schneier et al., U.S. Patent No. 6,099,408, issued August 8, 2000 (Ex. 1008) (“Schneier”).

⁶ Joshi, U.S. Patent No. 7,470,196 B1, issued December 30, 2008 (Ex. 1009) (“Joshi”).

Apple Inc. v. Fintiv, Inc., IPR2020-00019, Paper 11 (PTAB Mar. 20, 2020) (precedential) (“*Fintiv*”).

Fintiv sets forth the factors that we weigh in determining whether to exercise our discretion to deny institution of the *inter partes* review proceeding here under 35 U.S.C. § 314(a). *See Fintiv*, Paper 11 at 5–6.

These factors are:

1. whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted;
2. proximity of the court’s trial date to the Board’s projected statutory deadline for a final written decision;
3. investment in the parallel proceeding by the court and the parties;
4. overlap between issues raised in the petition and in the parallel proceeding;
5. whether the petitioner and the defendant in the parallel proceeding are the same party; and
6. other circumstances that impact the Board’s exercise of discretion, including the merits.

Id. “These factors relate to whether efficiency, fairness, and the merits support the exercise of authority to deny institution in view of an earlier trial date in the parallel proceeding.” *Id.* at 6. “[T]he Board takes a holistic view of whether efficiency and integrity of the system are best served by denying or instituting review.” *Id.*

For the reasons discussed below, we decline to exercise our discretion to deny institution under 35 U.S.C. § 314(a).

1. Fintiv Factor 1

Fintiv factor 1 recognizes that a stay of litigation pending resolution of a PTAB trial allays concerns about inefficiency and duplication of efforts,

which strongly weighs against exercising the authority to deny institution. *Fintiv*, Paper 11 at 6.

Petitioner asserts that it “intends to file a stay motion if institution is granted” and argues that, until the motion is decided, it is merely speculation as to whether the district court will grant or deny a stay. Pet. 8; Prelim. Reply 1.

Patent Owner argues that because the district court litigation is pending before Judge Albright of the U.S. District Court for the Western District of Texas, Waco Division, a stay will not be granted. Prelim. Resp. 9–15; Prelim. Sur-reply 1. According to Patent Owner, “Judge Albright’s long track-record amply demonstrates that he will deny Petitioner’s request for a stay, should Petitioner seek one.” Prelim. Resp. 9–10 (citing Exs. 2005–2008 (articles containing public comments by Judge Albright) and rulings by Judge Albright denying stays). Patent Owner argues that based on other rulings by the district court, the district court would deny any motion to stay. Prelim. Resp. 11–15.

Petitioner responds that, here with respect to this particular litigation, there is no holding or indication in the district court litigation as to how the district court would rule on a motion to stay. Prelim. Reply 1. Thus, according to Petitioner, Patent Owner’s argument is mere speculation as to how the district court would rule. *Id.*

On this record, it is unclear how the district court would proceed in this particular litigation, and we decline to speculate whether the district court will grant a stay if *inter partes* review is instituted. Accordingly, this factor is neutral.

2. *Fintiv* Factor 2

Fintiv factor 2 looks to the “proximity of the court’s trial date to the Board’s projected statutory deadline.” *Fintiv*, Paper 11 at 9. “If the court’s trial date is earlier than the projected statutory deadline, the Board generally has weighed this fact in favor of exercising authority to deny institution under *NHK*.” *Id.*

Petitioner indicates that the district court entered a scheduling order in the district court litigation. Pet. 8; Ex. 1010, 4. The district court’s scheduling order sets February 6, 2023, as a default date for “Jury Selection/Trial” and states that “[t]he Court expects to set these dates at the conclusion of the Markman Hearing.” Ex. 1010, 4. Petitioner argues that assuming it is not rescheduled, trial would occur only a handful of months before the Board’s projected final written decision date. Pet. 8–9.

Petitioner further argues that it is likely that the district court trial will be rescheduled because “[s]ubsequent to filing its petition, Zynga moved to transfer venue to the Austin Division of the Western District of Texas.” Prelim. Reply 2. Petitioner states “at the earliest, trial is almost a year away” and “[m]any events could occur between now and then—including, but not limited to, grant of Zynga’s motion to transfer—that could impact the trial date.” *Id.* Petitioner also contends that Patent Owner “has also itself significantly expanded the number of accused products which could lead to further delay.” *Id.*

Patent Owner responds that “Petitioner fails to cite any actual evidence suggesting a transfer would be granted or evidence of what speculative events may occur prior to trial.” Prelim. Sur-reply 2 (footnotes omitted). And, according to Patent Owner, “Petitioner is also speculating by assuming that an intra-district transfer will affect the assigned judge or the

schedule at all.” *Id.* Patent Owner further argues that “the number of accused products has not changed since IGT served its preliminary infringement contentions” and “[t]he only change is that Petitioner is now being compelled by the District Court to provide discovery on accused products for which it improperly withheld relevant information.” *Id.* at 2–3 (citing Ex. 2010, 2, 7).

Given the statutory deadlines, our latest possible date for issuance of a final written decision in this proceeding is June 9, 2023. 35 U.S.C. §§ 314(b) (2018), 316(a)(11); *see also* 37 C.F.R. § 42.100(c). Thus, the time period from the district court’s default trial date to our projected statutory deadline for a final written decision is approximately four months. In general, if the district court’s trial date is earlier than our projected statutory deadline for a final written decision, the Board usually has weighed this fact in favor of exercising authority to deny institution under *NHK*. *Fintiv*, Paper 11 at 9. Where the trial date and the projected date of our final written decision are at or around the same time, however, as they are here, the efficiency and fairness concerns that underlie the *Fintiv* analysis are not as strong, and the decision whether to institute will instead implicate other factors. *See Fintiv*, Paper 11 at 9 (“If the court’s trial date is at or around the same time as the projected statutory deadline, . . . the decision whether to institute will likely implicate other factors discussed herein, such as the resources that have been invested in the parallel proceeding.”).

Further, we recognize that a default trial date in February 2023, may be subject to change, for the reasons argued by Petitioner. Therefore, we give this factor less weight in considering whether efficiency and integrity of the system are best served by denying or instituting review.

In light of the district court trial date scheduled approximately four months before a final written decision will be due in this proceeding, we find that this factor weighs slightly in favor of discretionary denial.

3. *Fintiv* Factor 3

Fintiv factor 3 considers the “investment in the parallel proceeding by the court and parties,” including “the amount and type of work already completed in the parallel litigation by the court and the parties at the time of the institution decision.” *Fintiv*, Paper 11 at 9.

Patent Owner argues that “the District Court has already made significant investment in the case, including entering scheduling orders, holding a *Markman* hearing for the asserted patents, entering its rulings on claim construction, hearing argument on discovery disputes between the parties, and issuing an order on fact discovery disputes.” Prelim. Resp. 18 (citing Ex. 2004; Ex. 2009; Ex. 2010) (footnotes omitted).

Petitioner argues that “[t]o date, the parties and the Court have invested little in the district court action.” Pet. 9. Petitioner argues that “the district court [] entered a short, three-page claim construction order, devoid of any analysis (*see* Ex. 2004), and months of substantive work—including all depositions, additional fact discovery, expert discovery, and dispositive motion briefing—remain.” Prelim. Reply. 3.

Patent Owner responds that “Petitioner ignores that the District Court issued preliminary claim constructions (Ex. 2016) and held a three-hour claim construction hearing” and “Petitioner also ignores other significant investments of judicial resources by the District Court, including hearings and written orders on discovery disputes between the parties.” Sur-reply 3.

Fintiv states that, “[i]f, at the time of the institution decision, the district court has not issued orders related to the patent at issue in the

petition, this fact weighs against exercising discretion to deny institution.” *Fintiv*, Paper 11 at 10. Although some exchanges have taken place, some of the issues will have been briefed in the district court litigation and the district court issued a claim construction order, neither party asserts that the district court has issued any substantive orders as to validity of the ’473 patent. The district court’s claim construction order does not explicitly construe any claim terms of the ’473 patent and only assigns certain terms their “[p]lain and ordinary meaning.” Ex. 2004, 2. Although some investment has been made in the district court litigation, much work remains to be done.

Petitioner also argues that it exercised diligence in filing the Petition because “the petition was assembled and filed only a handful of months after IGT first served district court infringement contentions.” Prelim. Reply 3–4 (citing *Fintiv*). According to Petitioner, Petitioner “had no pre-suit notice of Patent Owner’s allegations of infringement of the ’473 patent” and “Patent Owner did not identify its asserted claims until its June 30, 2021 initial infringement contentions.” Pet. 10. Petitioner argues that it exercised diligence in filing the Petition because “it identified prior art, prepared, and filed this petition approximately five months after the receipt of Patent Owner’s June 30, 2021 initial infringement contentions.” *Id.*

Patent Owner argues that “Petitioner was put on notice of its infringement of the Challenged Patent via a letter dated September 25, 2020—more than *fourteen months* before Petitioner filed its Petition.” Prelim. Resp. 21 (citing Ex. 2011). Petitioner responds that “the letter Patent Owner cites merely mentions the ’473 patent by number.” Prelim. Reply 4.

We determine that Petitioner acted reasonably diligent in filing the Petition, given the overall circumstances in this case.

Based on the limited investment by the district court relevant to the '473 patent, and in view of Petitioner's diligence in filing the Petition, we find that *Fintiv* factor 3 weighs against discretionary denial.

4. *Fintiv* Factor 4

Fintiv factor 4 considers whether “the petition includes the same or substantially the same claims, grounds, arguments, and evidence as presented in the parallel proceeding.” *Fintiv*, Paper 11 at 12. If the issues in the Petition overlap substantially with those raised in the parallel proceeding, “this fact has favored denial.” *Id.* “Conversely, if the petition includes materially different grounds, arguments, and/or evidence . . . this fact has tended to weigh against exercising discretion to deny institution.” *Id.* at 12–13.

The grounds asserted in the Petition are a subset of the grounds asserted in the district court litigation. Prelim. Sur-Reply. 22; *see* Ex. 2019, 66–68, 90–92. Petitioner argues that its stipulation eliminates any overlap in issues. Pet. 10–11. Petitioner stipulates that “it will not pursue any instituted grounds as invalidity defenses in the district court.” *Id.* at 11.

Patent Owner argues that Petitioner's stipulation does not promote efficiency because it will not resolve the other invalidity grounds, such as § 101 and § 112 grounds, Petitioner raises and the liability and damages issues in the district court litigation. Prelim. Resp. 25–26; Prelim. Sur-reply 4–5 (citing Ex. 2019, 66–68, 90–92).

We determine that Petitioner's stipulation somewhat mitigates the “concerns of inefficiency and the possibility of conflicting decisions” when grounds overlap. Petitioner's stipulation is narrow, not a broad stipulation

that includes “any ground raised, or that *could have been reasonably raised.*” *See Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12 at 19 (PTAB Dec. 1, 2020) (precedential); *see also Sand Revolution II, LLC v. Cont’l Intermodal Group – Trucking LLC*, IPR2019-01393, Paper 24 at 12 n.5 (PTAB June 16, 2020) (informative) (noting that a broad stipulation better addresses concerns of duplicative efforts and potentially conflicting decisions in a much more substantial way).

Further, the Petition challenges additional claims — independent claim 1 and dependent claims 5, 13, 19, and 25—that are not at issue in the district court litigation. Pet. 10–11 (citing Ex. 1013, 2).

Patent Owner argues that “the additional claims challenged in the Petition include the same minor limitation that adds nothing material in terms of prior art invalidity.” Prelim. Resp. 24–25.

Given Petitioner’s stipulation and the fact that more claims are challenged in this proceeding than in the district court litigation, we weigh this factor against exercising discretion to deny institution.

5. *Fintiv Factor 5*

Fintiv factor 5 looks to “whether the petitioner and the defendant in the parallel proceeding are the same party.” *Fintiv*, Paper 11 at 13. “If a petitioner is unrelated to a defendant in an earlier court proceeding, the Board has weighed this fact against exercising discretion to deny institution.” *Id.* at 13–14.

Petitioner is the defendant in the district court litigation. Pet. 11. We weigh this factor slightly for exercising discretion to deny institution.

6. *Fintiv* Factor 6

Fintiv factor 6 looks to whether “other circumstances” exist that might “impact the Board’s exercise of discretion, including the merits.” *Fintiv*, Paper 11 at 14.

Petitioner argues that the Petition “has significant substantive merit.” Pet. 11–12; *see also* Prelim. Reply 5–7. Patent Owner responds that the weakness of the Petition on the merits favor denying institution. Prelim. Resp. 30–38; Prelim. Sur-reply 4–7.

We have reviewed the asserted prior art references and the arguments of both Petitioner and Patent Owner. As discussed in more detail below, we find the evidence and arguments presented by Petitioner persuasive on this preliminary record and sufficient to meet our standard for instituting *inter partes* review.

Additionally, Patent Owner argues that the Petitioner has created inefficiencies because “Petitioner has filed, on a rolling basis, petitions on only a subset (four of six) of the patents asserted in the District Court proceeding.” Prelim. Resp. 29–30. Patent Owner, however, does not apprise us of any statute or rule that requires Petitioner to file for *inter partes* review of all patents on which it has been sued for infringement in order to be able to file a petition for *inter partes* review.

We find that factor 6 is neutral.

7. *Conclusion*

Applying a holistic consideration of the relevant facts and the particular circumstances of this case, we conclude that the facts and factors counseling against exercising discretion collectively outweigh those counseling in favor of exercising discretion. Accordingly, we do not exercise our discretion to deny institution under 35 U.S.C. § 314(a).

B. Principles of Law

Petitioner bears the burden to demonstrate unpatentability. *Dynamic Drinkware, LLC v. Nat’l Graphics, Inc.*, 800 F.3d 1375, 1378 (Fed. Cir. 2015). At this preliminary stage, we determine whether the information presented in the Petition shows a reasonable likelihood that Petitioner would prevail in establishing that at least one of the challenged claims would have been obvious over the proposed combinations of prior art. *See* 35 U.S.C. § 314(a).

A claim is unpatentable as obvious if “the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains.” *KSR Int’l Co. v. Teleflex Inc.*, 550 U.S. 398, 406 (2007) (quoting 35 U.S.C. § 103(a)). We resolve the question of obviousness based on underlying factual determinations, including: (1) the scope and content of the prior art; (2) any differences between the prior art and the claims; (3) the level of skill in the art; and (4) when in evidence, objective indicia of nonobviousness. *See Graham v. John Deere Co.*, 383 U.S. 1, 17–18 (1966).

The record at this stage of the proceeding does not include any argument or evidence directed to secondary considerations of nonobviousness.

C. Level of Ordinary Skill in the Art

We review the grounds of unpatentability in view of the understanding of a person of ordinary skill in the art at the time of the invention. *Graham*, 383 U.S. at 13, 17. Petitioner asserts:

A person of ordinary skill in the art (“POSITA”) of the technology described in the ’473 patent would have a

bachelor's degree in computer science, or a related field and two years of experience in system development in developing distributed computer systems, including networked gaming systems. *See* Ex. 1003, Declaration of Dr. Sandeep Chatterjee, ¶¶ 15–18. This POSITA would be aware of and generally knowledgeable about networked gaming systems at the time the application that led to the '473 patent was filed, including the networks connecting various components of video game systems and the communications between the elements of the system. *Id.*, ¶ 16.

Pet. 7. Patent Owner does not dispute this level of skill at this stage of the proceeding. *See generally* Prelim. Resp.

For purposes of this Decision, we adopt Petitioner's proposal as reasonable and consistent with the prior art. *See Okajima v. Bourdeau*, 261 F.3d 1350, 1355 (Fed. Cir. 2001) (the prior art may reflect an appropriate level of skill in the art).

D. Claim Construction

In an *inter partes* review, claims are construed using the same claim construction standard that would be used to construe the claims in a civil action under 35 U.S.C. § 282(b), including construing the claims in accordance with the ordinary and customary meaning of such claims as understood by one of ordinary skill in the art and the prosecution history pertaining to the patent. 37 C.F.R. § 42.100(b). Thus, we apply the claim construction standard as set forth in *Phillips v. AWH Corp.*, 415 F.3d 1303 (Fed. Cir. 2005) (en banc). In addition to the specification and prosecution history, we also consider use of the terms in other claims and extrinsic evidence including expert and inventor testimony, dictionaries, and learned treatises, although extrinsic evidence is less significant than the intrinsic record. *Id.* at 1312–17. Usually, the specification is dispositive, and it is the single best guide to the meaning of a disputed term. *Id.* at 1315.

Only those terms that are in controversy need be construed, and only to the extent necessary to resolve the controversy. *Nidec Motor Corp. v. Zhongshan Broad Ocean Motor Co.*, 868 F.3d 1013, 1017 (Fed. Cir. 2017) (citing *Vivid Techs., Inc. v. Am. Sci. & Eng’g, Inc.*, 200 F.3d 795, 803 (Fed. Cir. 1999)).

The Petition indicates that the following terms were construed by the district court: “website server,” “first gaming server,” and “second gaming server.” See Pet. 18–19. The district court construed each of these terms to have their “[p]lain and ordinary meaning.” Ex. 2004, 2.

We need not expressly construe any terms of the ’473 in order to decide whether to institute *inter partes* review. *Vivid Techs., Inc. v. Am. Sci. & Eng’g, Inc.*, 200 F.3d 795, 803 (Fed. Cir. 1999) (only terms that are in controversy need to be construed, and then only to the extent necessary to resolve the controversy).

E. Overview of the Asserted Prior Art

1. Sparks

Sparks is titled “Interactive Gaming Server and Online Community Forum” and issued on March 5, 2002. Ex. 1004, codes (54), (45).

Sparks describes a “networked game system for allowing one or more users to interactively play games from individual user terminals via a network and which includes a network server that interfaces with the user terminals via the network and one or more game servers connected to the network server.” Ex. 1004, 1:53–58. Figure 1 of Sparks, reproduced below, illustrates a plurality of computer systems connected in a network configuration. *Id.* at 2:38–39.

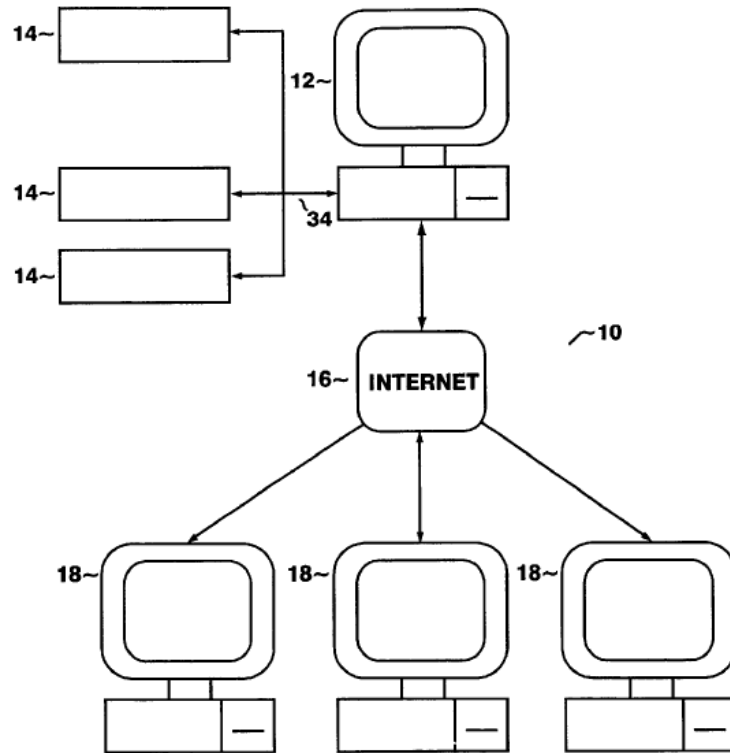


FIG. 1

As shown in Figure 1, Sparks discloses network configuration comprising a WWW server 12 coupled via a wide area network such as the Internet 16 to a number of user computer systems 18. Ex. 1004, 3:1–3. Sparks describes that “WWW server 12 is linked to a plurality of game servers 14 via links 34 which can be the Internet or direct links or both.” *Id.* at 3:4–6. “Each game server 14 and each of the user computer systems 18 includes stored game software,” and the “game software includes various application program interfaces (APIs) providing an interface to operating system software.” *Id.* at 3:6–11.

2. Wiltshire

Wiltshire is titled “Slim Terminal Gaming System” and issued June 25, 2002. Ex. 1005, codes (54), (45).

Wiltshire discloses “a computer gaming system and method of operation thereof that both drastically reduces the cost and substantially

increases the tamper resistance of individual gaming stations.” Ex. 1005, 2:22–25. Wiltshire’s system “allows concurrent access to multiple computer gaming programs from individual gaming stations by a patron” and “enables concurrent, non-intrusive status monitoring of clustered gaming stations for engineering maintenance and regulatory purposes.” *Id.* at 2:25–35.

Figure 1A of Wiltshire, reproduced below, is a block diagram of a computer gaming system. Ex. 1005, 3:7–8.

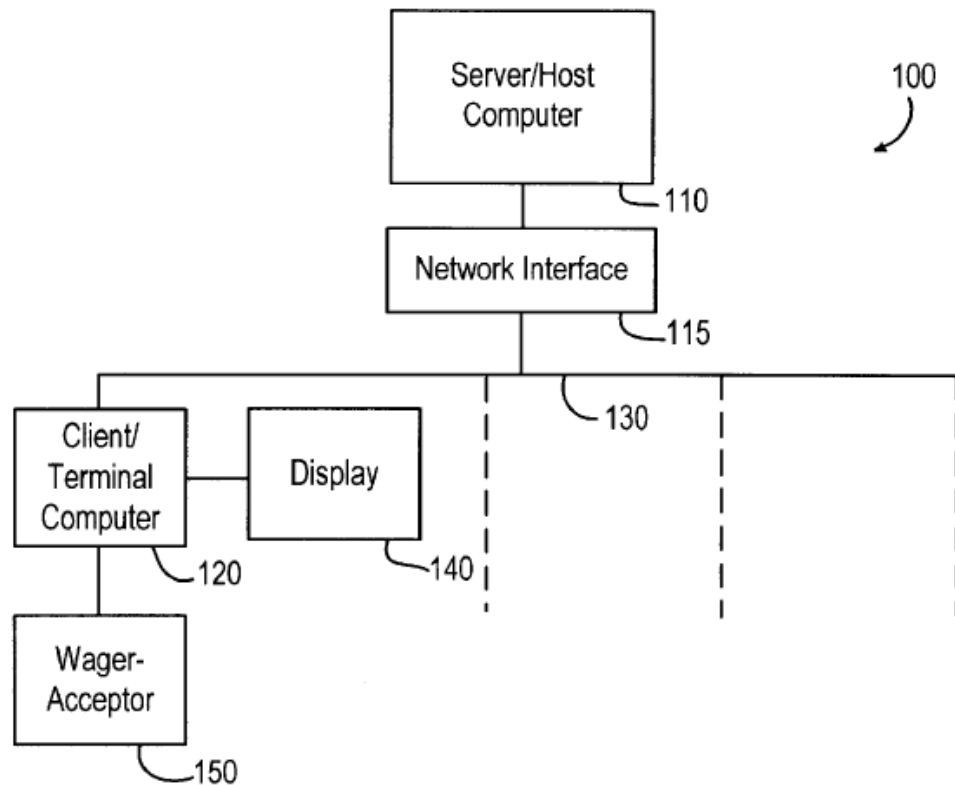


Fig. 1A

As shown in Figure 1A, computer gaming system 100 includes a server/host computer 110 connected to a plurality of remote client/terminal computers 120 via network interface 115 and communication pathways 130. *Id.* at 3:61–67. Each of client/terminal computers 120 is connected to a display device 140 (*id.* at 3:65–67) and “a wagering or bet acceptor device 150 such

as a coin collector, a bill collector, a smart-card reader, a credit-card reader, etc.” (*id.* at 4:30–33).

Figure 4B of Wiltshire, reproduced below, depicts an image displayed on a screen of a client/terminal computer of FIG. 1, showing a virtual casino floor. Ex. 1005, 3:23–25.

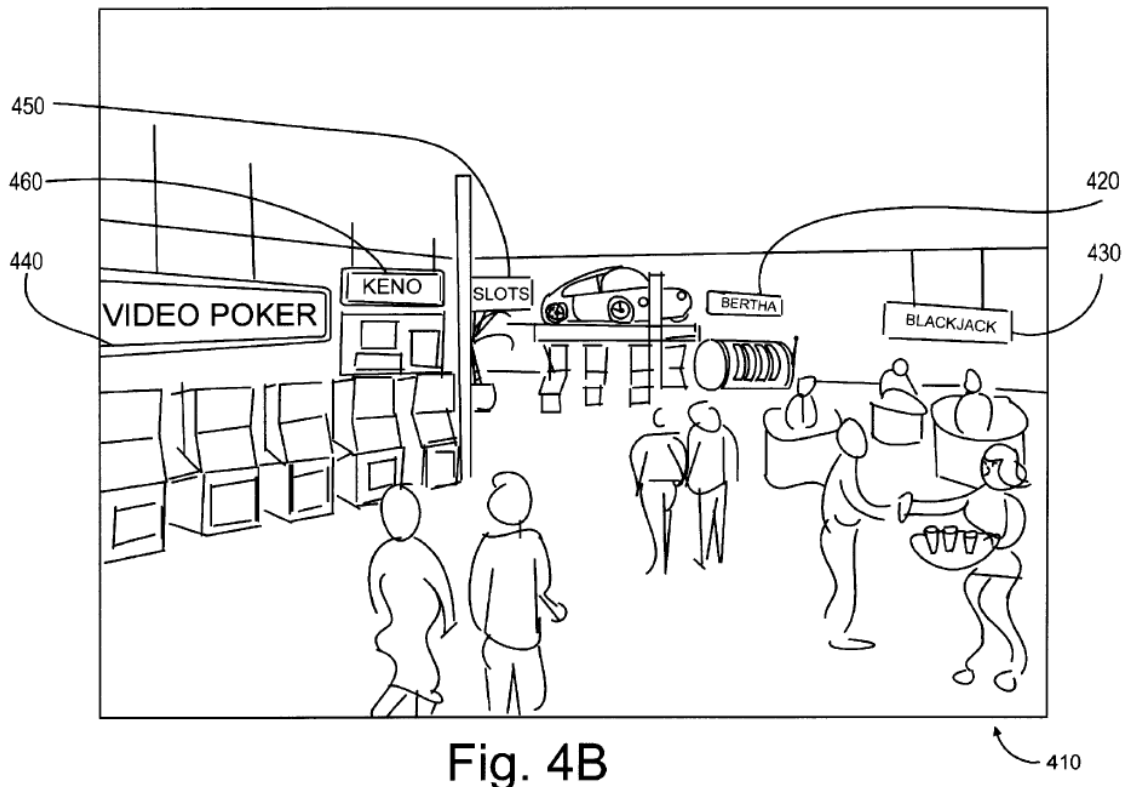


Fig. 4B

With reference to Figure 4B, Wiltshire discloses that “[c]asino floor image 410 illustrates various casino games supported by computer gaming system 100.” Ex. 1005, 8:49–51. “Each of the available games is represented by a ‘virtual’ button: Bertha button 420, black jack button 430, video poker button 440, slots button 450 and keno button 460.” *Id.* at 8:51–54.

Wiltshire describes that a “patron can select any of these games by touching a corresponding area of Screen 140” and “[w]hen the patron presses a virtual button, an input command is detected by client/terminal program 122 and transmitted to server/host computer 110 over communication pathways

130.” *Id.* at 8:54–59. “Server/host interface program 114, in turn, receives the input command and passes the input command along to game program 112” which “responds to input command 112 by updating the state of the game and possibly modifying the image displayed on screen 140.” *Id.* at 8:59–63.

3. *Schneier*

Schneier is titled “Method and Apparatus for Securing Electronic Games” and issued August 8, 2000. Ex. 1008, codes (54), (45).

Schneier “relates to electronic games, and particularly to methods and devices for securing and ensuring the randomness of electronic or online games.” Ex. 1008, 1:6–8. Schneier discloses “an electronic game system hardware and procedures to ensure that random numbers used to generate game results are truly random, independently-generated numbers.” *Id.* at 1:61–64. Schneier describes “an electronic game system comprising a game server and one or more player terminals.” *Id.* at 1:67–2:2. “The game server includes a random number generator and a first transmitting device for transmitting a first random number to the one or more player terminals” and “[t]he one or more player terminals includes a random number generator and a second transmitting device for transmitting a second random number to the game server.” *Id.* at 2:2–7. “The system also includes hardware and procedures for ensuring that the first random number is generated independently of the second random number.” *Id.* at 2:7–10.

4. *Joshi*

Joshi is titled “Method of Transferring Gaming Data on a Global Computer Network” and issued December 30, 2008. Ex. 1009, codes (54), (45).

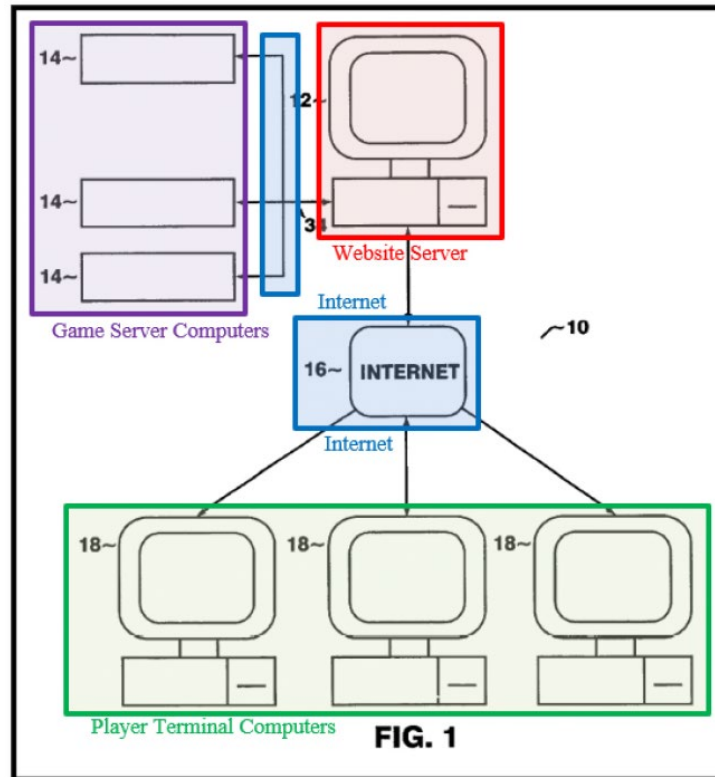
Joshi “relates generally to gaming machines and, more particularly, to a method of transferring data from a gaming establishment to a player at a remote site via a global computer network.” Ex. 1009, 1:8–11. Joshi discloses “a method by which data can be transferred from a gaming establishment to a gaming player disposed in a remote location from the gaming establishment.” *Id.* at 2:24–27. “Generally, a player accesses the host gaming establishment by use of a global computer network” and “[t]he host gaming establishment engages in gambling-type activities (e.g., a slot machine play) and reports the outcomes to the remote player.” *Id.* at 2:27–31.

F. Ground 1: Obviousness of Claims 1, 2, 4, 8–10, 12, 16, 18, 22, 24, and 27–32 over Sparks and Wiltshire

1. Independent Claim 1

Petitioner contends that “[a] POSITA would have found it obvious to combine *Sparks*’ Internet network gaming architecture with *Wiltshire* to arrive at the ’473 patent claims.” Pet. 23.

Petitioner argues that *Sparks* discloses most limitations of independent claim 1, including “a plurality of remote player devices,” “a first gaming server,” “a second gaming server,” and “a website server.” Pet. 24–50. Petitioner provides an annotated version of *Sparks*’ Figure 1 showing Petitioner’s mapping of hardware limitations of claim 1 to the architecture shown in *Sparks*’ Figure 1. *Id.* at 25. Petitioner annotated Figure 1 is reproduced below.



As shown in Petitioner’s annotated version of Sparks’ Figure 1, above, Petitioner contends that: (1) Claim 1’s “a first gaming server” and “a second gaming server” read on Sparks’ plurality of game servers 14; (2) The “Internet” of claim 1 reads on Sparks’ Internet 16; (3) Claim 1’s “a website server” reads on Sparks’ WWW server 12; and (4) Claim 1’s “a plurality of remote player devices” reads on Sparks’ user computer systems 18.

Petitioner contends that Sparks discloses every limitation of claim 1 except that Sparks “does not expressly disclose poker, blackjack, etc.” *Id.* at 29. Petitioner argues that “[a] POSITA would have found it obvious to use Sparks’ game architecture to play the games claimed in Wiltshire.” *Id.* at 29; *see also id.* at 65–66. According to Petitioner, “a POSITA would understand that Sparks’ system can be used with any type of game” and “would have found it obvious to use Sparks’ game architecture to play the games claimed in Wiltshire.” *Id.*

Patent Owner challenges the sufficiency of Petitioner’s showing of a motivation to combine the references because the Petition allegedly fails to identify any specific combination of elements from Sparks and Wiltshire that would result in the claimed invention. Prelim. Resp. 30–34. Patent Owner argues that the Petition “provides zero analysis articulating how, exactly, a POSITA would combine those different disclosures from different references, why a POSITA would be motivated to make such a combination, or even what would be accomplished by doing so.” Prelim. Resp. 31 (citing Pet. 35–37, 39–44, 47–50). Patent Owner argues that the Petition fails “to provide any motivation to combine” the specific features discussed under the following headings in the Petition: (1) “Web-server Functions” (Pet. 35–37); (2) “Player Data Storage” (Pet. 39–40); (3) “Game Selection Display” (Pet. 40–44); (4) “Receive Game Selection Data” (Pet. 44–45); (5) “Determine Game Selection” (Pet. 45–47); (6) “Determine Server Selection” (Pet. 47–48); and (7) “Link to Selected Game Server” (Pet. 49–50).

Patent Owner’s arguments are misplaced. The Petition states that Sparks discloses every limitation of claim 1 except that Sparks “does not expressly disclose poker, blackjack, etc.” and that “[a] POSITA would have found it obvious to use Sparks’ game architecture to play the games claimed in Wiltshire.” *Id.* at 29; *see also id.* at 65–66. The Petition’s citations to both Sparks and Wiltshire for other claim element’s shows similarity between Spark and Wiltshire’s inventions. For example, under the heading of “Game Selection Display,” the Petition explains that Sparks discloses “WWW server 12 displays a list of available games to the user through the website on the user’s personal profile page.” Pet. 41 (citing Ex. 1003 ¶ 225; Ex. 1004, 5:5–8, 5:26–28). The Petition further explains that Wiltshire also discloses a game selection display in the form of “a casino floor image 410”

“displayed on screen 140.” *Id.* (citing Ex. 1005, 8:42–54). The similarity of Sparks and Wiltshire shown by citations to *both* Sparks and Wiltshire support Petitioner’s proposed combination (i.e., using Sparks’ game architecture to play the games claimed in Wiltshire) (Pet. 29, 65).

On this record, Petitioner has shown sufficiently that a POSITA would have had reason to combine the teachings of Sparks and Wiltshire. For example, Petitioner contends that “a POSITA would recognize from Wiltshire that casino games are a popular genre of video games and be motivated to implement casino style wager games, such as poker, blackjack, etc. and means of placing wagers in Sparks’ architecture” and that “[t]he player statistics tracking of Sparks would be beneficial for the gambling games of Wiltshire by providing a means to track player preferences and customization that would increase player engagement.” Pet. 65 (citing Ex. 1003 ¶¶ 356, 357). Petitioner’s expert testifies that “[a] POSITA would also be motivated to combine the casino games disclosed in Wiltshire with the player statistics program in Sparks to match players of similar skill for participation in multiplayer wager games” because “[m]ultiplayer wager games such as poker benefit from matching players of similar skill with each other because a more skilled player will quickly outclass other less skilled players and leave the less skilled players discouraged and disinterested in continuing play which decreases engagement with the system and the operator’s profits.” Ex. 1003 ¶ 357. We find Petitioner’s proposed motivation of allowing users of Sparks’ gaming system to play a wider variety of games, including casino games such as poker as disclosed in Wiltshire, to be reasonable and supported by the evidence.

Accordingly, and on this record, we determine that Petitioner has demonstrated a reasonable likelihood of prevailing in demonstrating that

claim 1 of the '473 patent would have been obvious over Sparks and Wiltshire.

2. Independent Claims 9, 16, 22, and 27

We have reviewed Petitioner's showing regarding independent claim 1. Independent claims 9, 16, 22, and 27 are similar to claim 1, and Petitioner shows such similarity. Petitioner provides a table, reproduced below, showing the correspondence between limitations in independent claims 1, 9, 16, 22, and 27, according to Petitioner.

Claim, Limitations	1	9	16	22	27
Game System	[1(pre)]				
First Gaming Server	[1(a)]				
Second Gaming Server	[1(b)]				
Website server connected to gaming servers and remote player devices via Internet	[1(c)]	[9(pre)]	[16(pre)]	[22(pre)]	[27(pre)]
Website controller - processor and memory	[1(d)]	[9(b)]	[16(b)]	[22(a)] [22(b)]	
Network communications circuit - web server to players	[1(e)]	[9(a)]	[16(a)]		
Logon display data transmittance	[1(f)]	[9(c)]			[27(a)]
Player data storage	[1(g)]	[9(d)]			[27(b)]
Game selection display transmittance	[1(h)]	[9(e)]	[16(c)]	[22(c)]	[27(c)]
Receiving game selection data	[1(i)]	[9(f)]	[16(d)]	[22(d)]	[27(d)]
Determine game selection	[1(j)]	[9(g)]	[16(e)]	[22(e)]	[27(e)]
Determine server selection	[1(k)]	[9(h)]	[16(f)]	[22(f)]	[27(f)]
Link to first game server	[1(l)]	[9(i)]	[16(g)]	[22(g)]	[27(g)]
Link to second game server	[1(m)]	[9(j)]	[16(h)]	[22(h)]	[27(h)]

Id. at 24. Accordingly, for the same reasons discussed above with respect to claim 1, on this record, we determine that there is a reasonable likelihood that Petitioner will succeed in proving that independent claims 9, 16, 22, and 27 are unpatentable over Sparks and Wiltshire.

3. Independent Claim 29

Petitioner contends that claim 29 recites a method that recites limitations that are substantially identical to the limitations of claims 1 and 27 and additionally recites limitations related to wagering data. Pet. 57. For example, claim 29 recites "receiving at said website computing apparatus wager data from said remote player device via the internet." Petitioner

argues that “when *Wiltshire*’s games are played on *Spark*’s architecture, the wager data from the remote player device would be received by the website server.” Pet. 61.

At this stage of the proceeding, Patent Owner does not provide additional arguments directed to the patentability of claim 29. *See* Prelim. Resp. 30–34 (arguing Ground 1). On this record and absent any arguments from Patent Owner, we determine that Petitioner’s argument and evidence sufficiently shows a reasonable likelihood that claim 29 would have been obvious over Sparks and Wiltshire.

4. Dependent Claims 2, 4, 8, 10, 12, 18, 24, 28 and 30–32

At this stage of the proceeding, Patent Owner does not provide additional arguments directed to the patentability of dependent claims 2, 4, 8, 10, 12, 18, 24, 28, and 30–32. *See* Prelim. Resp. 30–34 (arguing Ground 1). On this record and absent any arguments from Patent Owner, we determine that Petitioner’s arguments and evidence sufficiently shows a reasonable likelihood that claims 2, 4, 8, 10, 12, 18, 24, 28 and 30–32 would have been obvious over Sparks and Wiltshire.

G. Grounds 2–4

At this stage of the proceeding, Patent Owner does not present additional arguments regarding Ground 2 (Obviousness of Claims 3, 11, 17, and 23 over Sparks, Wiltshire, and Hawkins), Ground 3 (Obviousness of Claims 5, 13, 19, and 25 over Sparks, Wiltshire, and Moody), or Ground 4 (Obviousness of Claims 6, 7, 14, 15, 20, 21, and 26 over Sparks, Wiltshire, and Schneier). On this record and absent any arguments from Patent Owner, we determine that Petitioner’s argument and evidence sufficiently shows a reasonable likelihood that claims 3, 5, 7, 11, 13–15, 17, 19–21, 23, 25, and 26 would have been obvious over Sparks and Wiltshire.

*H. Ground 5: Obviousness of Claims 33–37
over Sparks, Wiltshire, Joshi, and Schneier*

Petitioner provides a detailed analysis of each limitation of independent claim 33 and dependent claims 34–37. Pet. 72–82. Petitioner contends that “[a] POSITA would also be motivated to combine Sparks, Wiltshire, and Joshi with Schneier because all four patents solve related issues specific to remote gaming” and “[t]he network gambling games taught by this combination would benefit from the data security methods disclosed in Schneier, especially where wager and financial information are involved.” *Id.* at 83 (citing Ex. 1003 ¶ 459).

Patent Owner argues that Petitioner’s proposed motivation for the combination of Sparks, Wiltshire, and Joshi with Schneier “is not sufficient” because it amounts to “merely identifying allegedly analogous art or relevance to a field of endeavor.” Prelim. Resp. 34–38.

On this record, we determine that Petitioner has shown sufficiently that a POSITA would have had reason to combine the teachings of Sparks, Wiltshire, and Joshi with Schneier. In particular, we are persuaded by the testimony of Petitioner’s declarant, Dr. Chatterjee, who explains that the combination “would benefit from the data security methods disclosed in Schneier, especially where wagers and financial information are involved as contemplated by Wiltshire.” Ex. 1003 ¶ 459.

We determine that Petitioner has shown a reasonable likelihood that claims 33–37 would have been obvious over Sparks, Wiltshire, Joshi, and Schneier.

III. CONCLUSION

After considering the evidence and arguments presented in the Petition, the Preliminary Response, the Prelim. Reply, and the Prelim. Sur-

reply, we determine that Petitioner has demonstrated a reasonable likelihood of prevailing with respect to at least one of the challenged claims, and thus, we institute an *inter partes* review of all challenged claims on all presented challenges. *SAS Inst. Inc. v. Iancu*, 138 S. Ct. 1348, 1359–60 (2018); *PGS Geophysical AS v. Iancu*, 891 F.3d 1354, 1360 (Fed. Cir. 2018) (interpreting the statute to require “a simple yes-or-no institution choice respecting a petition, embracing all challenges included in the petition”).

At this stage of the proceeding, the Board has not made a final determination as to the patentability of any challenged claim or any underlying factual and legal issues.

IV. ORDER

In consideration of the foregoing, it is hereby:

ORDERED that, pursuant to 35 U.S.C. § 314(a), an *inter partes* review of claims 1–37 of U.S. Patent No. 7,303,473 B2 is instituted with respect to all grounds set forth in the Petition; and

FURTHER ORDERED that, pursuant to 35 U.S.C. § 314(c) and 37 C.F.R. § 42.4(b), *inter partes* review of U.S. Patent No. 7,303,473 B2 shall commence on the entry date of this Order, and notice is hereby given of the institution of a trial.

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