

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

DRAFTKINGS INC., A DELAWARE CORPORATION,
Petitioner,

v.

AG 18, LLC,
Patent Owner.

IPR2022-01446
Patent 9,978,205 B2

Before JOSIAH C. COCKS, GEORGE R. HOSKINS, and
FRANCES L. IPPOLITO, *Administrative Patent Judges*.

HOSKINS, *Administrative Patent Judge*.

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

I. INTRODUCTION

DraftKings Inc., a Delaware corporation (“Petitioner”) has filed a Petition (Paper 13, “Pet.”)¹ pursuant to 35 U.S.C. §§ 311–319 to institute an *inter partes* review of U.S. Patent No. 9,978,205 B2 (Ex. 1001, “the ’205 patent”), claims 1–30.

AG 18, LLC d/b/a Arrow Gaming (“Patent Owner”) has filed a Preliminary Response (Paper 14, “Prelim. Resp.”). Patent Owner urges us to exercise our discretion under 35 U.S.C. § 325(d) to deny institution, and also argues the Petition fails to meet the requisite threshold for instituting review.

For reasons provided below, we do not exercise our discretion under § 325(d) to deny institution. We also determine, on behalf of the Director (*see* 37 C.F.R. § 42.4(a)), that the Petition demonstrates a reasonable likelihood that Petitioner would prevail with respect to at least one challenged claim. *See* 35 U.S.C. § 314(a). We therefore institute the petitioned *inter partes* review.

II. BACKGROUND

A. *Real Parties-in-Interest and Related Proceedings*

Petitioner identifies itself as well as DraftKings Inc., a Nevada corporation, and Crown Gaming Inc., as real parties-in-interest. *See* Pet. 16. Patent Owner identifies only itself as a real party-in-interest. *See* Paper 3, 1.

There are four related IPR proceedings, challenging patents related to the ’205 patent. They are IPR2022-01442 (U.S. Patent No. 10,497,220 B2); IPR2022-01445 (U.S. Patent No. 11,024,131 B2); IPR2022-01447 (U.S.

¹ With prior Board approval, Petitioner’s original petition (Paper 1) was replaced by a revised Petition (Paper 13). *See* Papers 11 & 12.

Patent No. 9,613,498 B2); and IPR2022-01448 (U.S. Patent No. 10,614,657 B2).

There is a U.S. District Court litigation in which Patent Owner has asserted the five related patents against Petitioner. *See AG 18, LLC d/b/a Arrow Gaming v. DraftKings Inc.*, Case No. 2:21-cv-15737 (D. N.J.); Pet. 16; Paper 3, 1.

B. The '205 Patent Specification

The '205 patent is directed to systems and methods for peer-to-peer gaming, including wagers placed by the players on game results. *See* Ex. 1001, 1:15–20, 2:27–39. Figure 1 of the '205 patent is reproduced below.

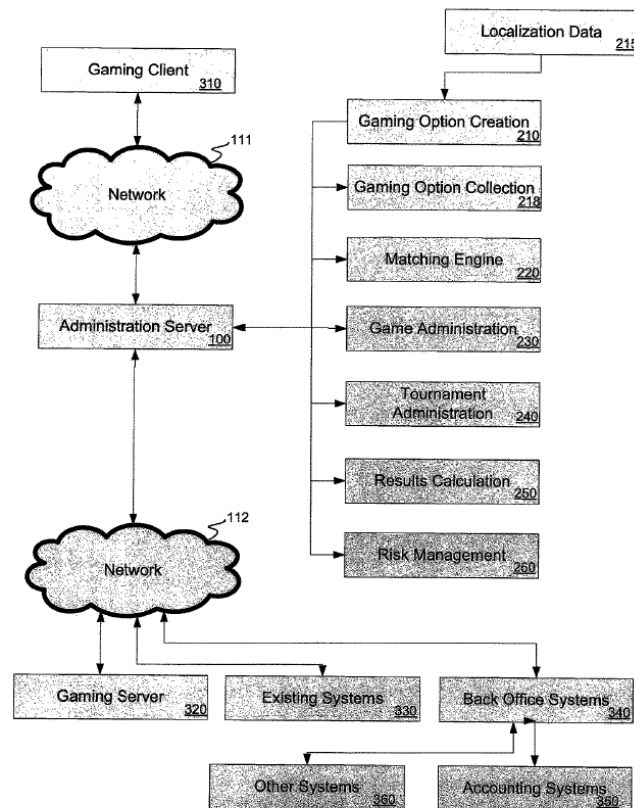


Figure 1
The '205 Patent, Figure 1.

Figure 1 illustrates a high level network architecture of a peer-to-peer gaming system. *See id.* at 3:4–5. Each player utilizes a respective gaming client 310 to access administration server 100 via network 111 to play games. *See id.* at 3:47–53, 4:7–8. Exemplary gaming clients 310 include kiosks, PDAs, and wireless tablets. *See id.* at 3:53–56. Thus, gaming client 310 may be a mobile device that the player can carry easily between various legal jurisdictions, having different limitations on game play. *See id.* at 4:50–58, 6:46–58.

Administration server 100 is connected to gaming server 320, which contains the games that are played by the players. *See id.* at 4:42–44. Administration server 100 also is connected to various other systems 330, 340, 350, and 360 to perform other tasks, such as the transfer of funds involved in accepting game wagers and paying out winnings. *See id.* at 4:37–42, 5:22–25. Administration server 100 accordingly includes a number of modules 210, 215, 218, 220, 230, 240, 250, and 260, to perform these tasks. *See id.* at 5:34–42.

Gaming option creation module 210 takes information from localization data module 215 to determine which games are available on administration server 100. *See id.* at 5:39–42. Module 210 creates a list of available game options, “us[ing] information about the location of the user, such as legal jurisdiction and casino location, to determine which game options are presented to the player.” *Id.* at 6:46–51. The “list may include which games are available, such as Poker or 9-Ball,” as well as “the wager amounts available for each game.” *Id.* at 6:54–58, 8:26–34 (Fig. 3 shows exemplary user-interface screens for a player to select a game to be played within a specific betting range), 10:27–33, 11:10–21. In one embodiment:

“Before presenting a player with gaming options, the system determines which gaming options are available to the player,” for example which options are “legal” based on “limits on wagers or types of games allowed.” *Id.* at 9:18–33. The system then “remove[s] [from the list] any gaming options that are not available” so “the player will not be able to select” unavailable gaming options. *Id.*

Gaming option collection module 218 collects a selection of gaming options by the player, from the list of gaming options presented to the player. *See id.* at 5:42–45, 6:59–62.

Matching engine module 220 matches players for playing games together, using information obtained from the players, including the list of gaming options selected by each player. *See id.* at 5:44–45, 7:1–6, 10:37–51.

The remaining modules 230, 240, 250, and 260 administer the games being played, calculate the results of the games, and distribute winnings. *See id.* at 5:45–52, 8:47–56.

C. The Challenged Claims of the '205 Patent

The Petition challenges claims 1–30 of the '205 patent, which include independent claims 1, 12, 19, and 28. *See* Pet. 13; Ex. 1001, 15:48–19:19. We reproduce illustrative claim 12 here, adding Petitioner’s limitation identification scheme, which Patent Owner also uses. *See* Pet. 21–22; *e.g.*, Prelim. Resp. 29 (referring to “12[d]”).

[pre] 12. A gaming system comprising:

[a] at least one processor;

[b] at least one communication interface; and

- [c] a memory containing a plurality of program instructions configured to cause the at least one processor to:
 - [d] create a list of player gaming options for a player at a current location,
 - [e] wherein the list of player gaming options restricts limits on wagers or types of games allowed in the current location of the player;
 - [f] transfer the list of player gaming options to a player gaming client through the communication interface;
 - [g] receive a selection of player gaming options from the player gaming client through the communication interface;
 - [h] initiate a game based on the selection of player gaming options; and
 - [i] compensate the player with player winnings.

Ex. 1001, 17:11–28.

D. Asserted Prior Art

Petitioner relies principally on the following references. *See* Pet. 27.

Name	Reference	Pub. Date	Exhibit No.
Frenkel	US 2007/0015584 A1	Jan. 18, 2007	1007
Amaitis	US 2007/0054739 A1	Mar. 8, 2007	1005
Schlottmann	US 2007/0298857 A1	Dec. 27, 2007	1006
Bryson	US 8,460,109 B2	June 11, 2013	1004

Petitioner asserts these references are prior art to the '205 patent because each was published or filed prior to the '205 patent's earliest claimed priority date of June 20, 2008. *See* Pet. 31 (priority date), 35–36 (Bryson), 38 (Amaitis), 39 (Frenkel and Schlottmann). This assertion is undisputed at this stage of the proceeding.

E. Asserted Grounds

Petitioner proposes the following six grounds of unpatentability for the challenged claims. *See* Pet. 27.

Ground	Claims Challenged	35 U.S.C. §²	Reference(s)
1	12, 13, 18–22, 27, 28, 30	102(b)	Bryson
2	12, 13, 18–22, 27, 28, 30	103(a)	Bryson, Knowledge of Person of Ordinary Skill in the Art
3	15–17	103(a)	Bryson, Schlottmann
4	1, 4–11, 14, 23, 29	103(a)	Bryson, Amaitis
5	2, 3	103(a)	Bryson, Amaitis, Frenkel
6	24–26	103(a)	Bryson, Amaitis, Frenkel, Schlottmann

F. Testimonial Evidence

Petitioner relies on the declaration testimony of Mark C. Nicely (Exhibit 1003) as a proffered technical expert witness. Patent Owner relies on the declaration testimony of Stephen H. Lane, Ph.D. (Exhibit 2001) as a proffered technical expert witness.

² The Leahy-Smith America Invents Act (“AIA”) included revisions to 35 U.S.C. §§ 102 and 103 that became effective in March 2013. The ’205 patent was filed on February 28, 2017, but asserts continuation priority to a parent application filed on June 19, 2009. *See* Ex. 1001, codes (22) and (63). Petitioner applies pre-AIA law (*see* Pet. 31, 36, 38, 39), which Patent Owner has not opposed.

Patent Owner argues we “should accord no weight to” Mr. Nicely’s testimony. Prelim. Resp. 66–67. According to Patent Owner, “[t]he vast majority of [Mr. Nicely’s testimony] that pertains to the claims of the ’205 Patent . . . is simply a conclusory reproduction or paraphrasing of the attorney arguments asserted in the Petition,” and therefore “fails to meet the requirements of 37 C.F.R. § 42.104(b)(4) & (5).” Prelim. Resp. 66 (citing *Wowza Media Sys., LLC v. Adobe Sys., Inc.*, IPR2013-00054, Paper 12 at 12 (PTAB Apr. 8, 2013)).

We do not agree with Patent Owner’s position. The mere fact that Mr. Nicely’s declaration testimony is largely carried forward into the Petition’s analysis does not, by itself, mean that his testimony is too conclusory to support institution of review, as Patent Owner’s sparse argument suggests. We have reviewed and considered the proffered testimony from both witnesses as part of reaching the various conclusions provided below. *See* 37 C.F.R. § 42.108(c) (2021) (Board considers “information presented in the petition” and “a patent owner preliminary response . . . including any testimonial evidence” when deciding whether to institute review) (as amended at *PTAB Rules of Practice for Instituting on All Challenged Patent Claims and All Grounds and Eliminating the Presumption at Institution Favoring Petitioner as to Testimonial Evidence*, 85 Fed. Reg. 79129 (Dec. 9, 2020)).

III. POTENTIAL DISCRETIONARY DENIAL UNDER 35 U.S.C. § 325(d)

Patent Owner urges us to exercise our discretion under 35 U.S.C. § 325(d) to deny institution of review, on the basis that Bryson’s location-based teachings “are either identical or cumulative to those in the

Miltenberger reference”³ considered by the Office during prosecution of the ’205 patent. Prelim. Resp. 14 (citing Ex. 2001 ¶¶ 58–66). Petitioner provides opposing arguments. *See* Pet. 95–98. For the following reasons, we do not invoke our discretion to deny institution under § 325(d).

A. Legal Authority

Pursuant to 35 U.S.C. § 325(d), when determining whether to institute an *inter partes* review, we “*may take into account whether, and reject the petition . . . because, the same or substantially the same prior art or arguments previously were presented to the Office.*” 35 U.S.C. § 325(d) (emphasis added). When applying § 325(d), we utilize a two-part framework. *See Advanced Bionics, LLC v. MED-EL Elektromedizinische Geräte GmbH*, IPR2019-01469, Paper 6 at 8 (PTAB Feb. 13, 2020) (precedential).

First, we determine “whether the same or substantially the same art previously was presented to the Office or whether the same or substantially the same arguments previously were presented to the Office.” *Advanced Bionics*, at 8. In this first part, we consider: the similarities and material differences between the asserted art and the prior art involved during examination; the cumulative nature of the asserted art and the prior art evaluated during examination; and the extent of the overlap between the arguments made during examination and the manner in which Petitioner relies on the prior art or Patent Owner distinguishes the prior art. *Id.* at 10 (citing factors (a), (b), and (d) of *Becton, Dickinson & Co. v. B. Braun*

³ *See* Ex. 1057 (US 2007/0202941 A1 to Miltenberger et al.).

Melsungen AG, IPR2017-01586, Paper 8 (PTAB Dec. 15, 2017) (precedential), as being considered in the first part).

Second, “if either condition of [the] first part of the framework is satisfied,” then we consider “whether the petitioner has demonstrated that the Office erred in a manner material to the patentability of challenged claims.” *Advanced Bionics*, at 8.

B. Whether to Deny Institution Here

1. Prosecution History of the '205 Patent

The '205 patent was filed as U.S. Patent Application No. 15/444,409, and asserts continuation priority to U.S. Patent Application No. 12/488,241 (“the '241 Application”). *See* Ex. 1001, codes (21) and (63). The prosecution history of the '241 Application forms the basis of Patent Owner’s § 325(d) arguments. The '241 Application eventually issued as U.S. Patent No. 9,613,498 B2, which Petitioner has challenged in IPR2022-01447. *See, e.g.*, Ex. 1001, code (63). We have summarized the pertinent prosecution history of the '241 Application in our Decision Granting Institution in IPR2022-01447 (Section III.B.1), issued contemporaneously with the present Decision.

2. Advanced Bionics Part One

Patent Owner applies *Advanced Bionics* part one, arguing that the Examiner considered substantially the same art and arguments during prosecution of the '241 Application as are advanced in the Petition. *See* Prelim. Resp. 1–3, 13–25. Patent Owner particularly asserts Miltenberger has “cumulative—and in many instances verbatim duplicative” location-based teachings as Bryson. *Id.* at 1–2, 13–14, 16, 19–20 (citing

Ex. 1004, 5:45–47, 6:25–29, 7:49–61, 8:24–39, 12:50–55, 23:4–18, 23:35–37; Ex. 1057 ¶¶ 8, 38, 67, 82, 101, 122–123, 130; Ex. 2001 ¶¶ 58–66). According to Patent Owner, “Petitioner makes material misdescriptions regarding Miltenberger on the *very same* limitations the Examiner said were taught in rejection,” and “Petitioner relies on Bryson’s location-based teachings that mirror Miltenberger’s teachings.” *Id.* at 2, 14–15, 17–22 (citing Pet. 97; Ex. 1004, 6:25–29; Ex. 1057 ¶¶ 8, 41, 67, 82, 122–123, 101; Ex. 2004, 8, 41, 49, 57, 81, 110, 117–120, 132–133). Patent Owner additionally asserts Bryson and Miltenberger have the same “authentication challenge” deficiencies in relation to the ’205 patent claims. *Id.* at 21 (citing Ex. 1057 ¶¶ 41, 82, 122–123; Ex. 2001 ¶¶ 35–36, 43–45).

Petitioner responds that the Petition does not rely on the same or substantially the same prior art or arguments considered by the Examiner during the ’241 Application. *See* Pet. 95–98. Petitioner asserts three of the four references cited in the Petition (Bryson, Amaitis, and Schlottmann) “are entirely new references that were not cited or considered during prosecution of the ’205 Patent.” *Id.* at 96; *see also id.* at 97–98 (arguing that “although Amaitis is incorporated by reference into Lutnick, which formed part of the Examiner’s grounds of rejection during prosecution . . . , the Examiner did not rely on, cite to, or demonstrate consideration of Amaitis or any portion of Lutnick that relies on Amaitis”). Petitioner concedes the fourth reference, Frenkel, was cited during prosecution, but points out that the Examiner did not rely on Frenkel in any claim rejection. *See id.* at 96 (citing Ex. 1002, 6–12, 55–60).

Further according to Petitioner, “none of the references used in rejecting the challenged claims during prosecution . . . teach or suggest

creating and presenting to a user a list of wagering games and game options that are legal in the location of the player as Bryson does.” *Id.* at 96 (citing Ex. 1004, 7:9–16, 7:49–53, 8:24–39). Petitioner asserts the applicant “relied on this as the primary distinguishing factor from” Miltenberger. *Id.* at 96–97 (citing Ex. 1064, 57). Petitioner adds that, although Bryson’s Figure 6 and Miltenberger’s Figure 1 provide “similar” block diagrams of a gaming system, “Bryson and Miltenberger are not ‘substantially similar.’” *Id.* at 97 n.8. Petitioner asserts Miltenberger does not disclose “that the gaming options presented to a user will ‘depend on device location’ such that ‘wagering games and/or wagering game attributes may be provided according to the legal requirements,’ including jurisdictional ‘[w]agering limits.’” *Id.* at 97 (quoting Ex. 1004, 8:24–29).

Patent Owner asserts correctly that Bryson and Miltenberger share one common inventor (Andy O. Bryson) and a common assignee (IGT of Reno, Nevada), and that Bryson incorporates by reference Miltenberger’s teachings. *See* Prelim Resp. 1, 16; Ex. 1004, codes (73) and (75), 23:35–37; Ex. 1057, codes (21), (73) and (75). Nonetheless, the record before us simply does not convey that it is the entirety, or even the majority, of any incorporated content that forms the basis of the Petition’s proposed grounds of unpatentability based on Bryson.⁴ We agree with Petitioner that Miltenberger seemingly does not describe content associated with the development of “player communities,” or, in connection with those communities, creating a list of player gaming options for a player at a current location and restricting the list as to limits on wagers or types of

⁴ There is no indication in the record that Bryson previously was before the Examiner.

games allowed in the current location. *See, e.g.*, Pet. 97 n.8. It is Petitioner's view that such disclosure is distinctly present in Bryson and is offered to account for limitations of the claims that Patent Owner expressly represented were absent from Miltenberger's disclosure. *See, e.g.*, Ex. 1064, 57. It is clear, in our view, that Petitioner relies on content in Bryson that goes beyond Miltenberger's teachings, and that such content is offered to present new prior art teachings and new argument that previously were not advanced to the Office. That Bryson and Miltenberger may share some other content, as emphasized by Patent Owner (*see, e.g.*, Prelim. Resp. 16–20), simply does give rise to a determination that Bryson's additional disclosure should not now be considered on its own merit in evaluating the patentability of claims of the '205 patent.

3. *Advanced Bionics Part Two*

Having concluded in *Advanced Bionics* part one that Bryson is not the same or substantially the same as Miltenberger in relation to the '205 patent claims being challenged here, we need not reach *Advanced Bionics* part two. *See Advanced Bionics*, at 8 (stating part two is reached only "if either condition of [the] first part of the framework is satisfied").

4. *Conclusion as to § 325(d)*

For the foregoing reasons, we do not exercise our discretion to deny institution pursuant to § 325(d).

IV. ANALYSIS OF PETITIONER’S PROPOSED GROUNDS

A. *Law of Anticipation*

A patent claim is unpatentable as anticipated under 35 U.S.C. § 102 “if each and every limitation is found either expressly or inherently in a single prior art reference.” *WhitServe, LLC v. Computer Packages, Inc.*, 694 F.3d 10, 21 (Fed. Cir. 2012) (quoting *Celeritas Techs., Ltd. v. Rockwell Int’l Corp.*, 150 F.3d 1354, 1361 (Fed. Cir. 1998)).

B. *Law of Obviousness*

A patent claim is unpatentable under 35 U.S.C. § 103(a) if the differences between the claimed subject matter 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. *See KSR Int’l Co. v. Teleflex Inc.*, 550 U.S. 398, 406 (2007). The question of obviousness is resolved on the basis of underlying factual determinations including: (1) the scope and content of the prior art; (2) any differences between the claimed subject matter and the prior art; (3) the level of ordinary skill in the art; and (4) secondary considerations of nonobviousness, if placed at issue which is not the case at the present time. *See Graham v. John Deere Co.*, 383 U.S. 1, 17–18 (1966).

C. *Person of Ordinary Skill in the Art*

Petitioner contends a person having ordinary skill in the art pertaining to the ’205 patent “would be a person with a bachelor’s degree in computer engineering, electrical engineering, computer science, applied mathematics, or a similar field, and at least two years of experience in the development of gambling game hardware or software functionality.” Pet. 31 (citing

Ex. 1003 ¶ 46). Further: “A person with less education but more relevant practical experience may also meet this standard.” *Id.* at 31–32.

Patent Owner contends a person having ordinary skill in the art would have a “Bachelor of Science degree in an engineering discipline, and at least two years of programming experience developing games and game-related software and systems.” Prelim. Resp. 25–26 n.3 (citing Ex. 2001 ¶ 17).

The parties’ positions appear to be substantively equivalent. For purposes of this Decision, and for completeness, we adopt Petitioner’s assessment as reasonable and consistent with the prior art and the ’205 patent. *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). We note, however, that, as each party’s assessment is substantively equivalent, our determinations as a part of this Decision would be the same were we to expressly adopt Patent Owner’s assessment.

D. Claim Construction

We interpret the ’205 patent claims “using the same claim construction standard that would be used to construe the claim in a civil action under 35 U.S.C. 282(b).” 37 C.F.R. § 42.100(b). This “includ[es] construing the claim in accordance with the ordinary and customary meaning of such claim as understood by one of ordinary skill in the art and the prosecution history pertaining to the patent.” *Id.*

Patent Owner accuses Petitioner of improperly applying a broadest reasonable construction to the ’205 patent claims in the Petition. *See* Prelim. Resp. 63–66. Patent Owner correctly points out that the Petition does not articulate the claim construction standard being applied. *See id.* at 63 (citing

Pet. 32–35). Patent Owner then asserts Petitioner’s witness Mr. Nicely applied a broadest reasonable construction in his testimony, and imputes this alleged application to the Petition. *See id.* at 63–66 (citing Ex. 1003 ¶ 146).

We do not agree that Mr. Nicely applied a broadest reasonable construction of claim terms in his testimony. Instead, his testimony reflects his understanding that, in an *inter partes* review proceeding, “claim terms are given their ordinary and customary meaning” which is the standard set forth in Rule 42.100(b) (quoted above). Ex. 1003 ¶¶ 24–25, 146. He also testifies that “the prior art discussed [in his declaration] discloses the Challenged Claims *under any reasonable interpretation.*” *Id.* ¶ 146 (emphasis added). Contrary to Patent Owner’s position, this is not a statement that Mr. Nicely applied the *broadest* reasonable construction, particularly in the face of his other testimony reflecting a correct understanding of the applicable ordinary and customary meaning standard. It indicates merely that, although Mr. Nicely recognizes that there may be some uncertainty in the exact scope to be afforded to some claim terms, this uncertainty is not so great to cause the Petition’s prior art references to be distinguished from the claims.

We now turn to the specific claim construction issues raised by the arguments in the present preliminary record.

1. Claims 15, 16, 23–26, and 29 — “Module” Limitations

Petitioner addresses the claim construction of several “module” limitations found in claims 15, 16, 23–26, and 29, including “tournament administration module” (claims 15, 16, 24, and 25), “gaming option collection module” (claims 23 and 29), “matching engine module”

(claims 23 and 29), “game administration module” (claims 23 and 29), “results calculation module” (claims 23 and 29), “gaming option creation module” (claims 24 and 26), “payment initiation module” (claim 24), and “risk management module” (claim 24). *See* Pet. 32–35. Petitioner refers to these limitations as the “Module Terms.” *Id.* at 32.

Petitioner asserts the Module Terms “are either ‘configured to’ perform, or . . . ‘oversee,’ certain recited functionality, without reciting sufficient structure for performing those functions.” *Id.* at 32. Petitioner contends these terms therefore “are nonce terms subject to Section 112 ¶ 6.” *Id.* (citing *Williamson v. Citrix Online, LLC*, 792 F.3d 1339, 1349 (Fed. Cir. 2015)). Petitioner provides a table “that identifies what Petitioner infers Patent Owner’s construction to be for each of” the Module Terms, including the “Claimed Function” and citations to where the claimed function is described in the ’205 patent “Specification.” *Id.* at 32–35. Petitioner argues the specification “shows the administration server as including all of the above claimed modules except the ‘payment initiation module,’ which is not disclosed in the specification,” so a server is the corresponding structure under § 112 ¶ 6. *Id.* at 35 (citing Ex. 1001, Fig. 1; Ex. 1003 ¶ 148).

Patent Owner raises two objections to Petitioner’s consideration of the Module Terms.

a) Whether the Petition Complies with Rules 42.100(b) and 42.104(b)(3)

Patent Owner argues Petitioner’s consideration of the Module Terms fails to comply with 37 C.F.R. §§ 42.100(b) and 42.104(b)(3). *See* Prelim. Resp. 5, 25–26, 48–54. Rule 42.100(b), discussed above, pertinently provides that we will interpret the ’205 patent claim terms in accordance

with their ordinary and customary meaning. Rule 42.104(b)(3) states a petition “must identify . . . [h]ow the challenged claim is to be construed.” 37 C.F.R. § 42.104(b)(3). It further states: “Where the claim to be construed contains a means-plus-function or step-plus-function limitation . . . the construction of the claim must identify the specific portions of the specification that describe the structure, material, or acts corresponding to each claimed function.” *Id.*

Patent Owner characterizes the Petition’s claim construction analysis as an improper “non-construction” because it infers what Patent Owner’s view may be, rather than setting forth what Petitioner’s view is. Prelim. Resp. 49–50, 54 (citing Pet. 32; *Google LLC v. Uniloc 2017 LLC*, IPR2020-00397, Paper 11 at 9–10 (PTAB Aug. 3, 2020); *Lyft, Inc. v. Quartz Auto Techs., LLC*, IPR2020-01450, Paper 7 at 13–14 (PTAB Mar. 4, 2021)). Patent Owner asserts the Petition’s “table of broad citations” for the construction of the Module Terms is “absent any explanation,” and therefore merits denial of institution, as demonstrated by prior Board decisions in “***near-identical***” circumstances. *Id.* at 50–52 (citing Pet. 32–35; *Callminer, Inc. v. Mattersight Corp.*, IPR2020-00272, Paper 8 at 10–14 (PTAB June 18, 2020); *Apple Inc. v. Red.com, LLC*, IPR2019-01064, Paper 17 at 7–8 (PTAB Nov. 7, 2019)).

Patent Owner further asserts Petitioner’s construction of the Module Terms in claims 15, 16, 23–26, and 29 merits discretionary denial of institution of the entire Petition under 35 U.S.C. § 314, even if the Petition shows a reasonable likelihood of prevailing with respect to other claims. *See* Prelim. Resp. 52–54 (citations omitted). This is “[d]ue to the high level of undue speculation” allegedly engendered as to claims 15, 16, 23–26, and 29,

and “the high number of terms Petitioner opted to deal with in this improper manner.” *Id.*

We are not persuaded by Patent Owner’s argument. The Petition identifies reasons why the Module Terms are means-plus-function limitations subject to § 112 ¶ 6 (*see* Pet. 32); identifies the claimed functions (*see id.* at 32–35, “Claimed Function” column); identifies where the ’205 patent specification describes the structure corresponding to that claimed function (*see id.*, “Function Described in Specification” column); and concludes the corresponding structure is a server (*see id.* at 35). That is a facially complete means-plus-function claim construction per controlling legal authority concerning § 112 ¶ 6, as required by the Board’s Rules 42.100(b) and 42.104(b)(3). Patent Owner’s additional argument that the Petition’s construction is deficient for failing to identify an algorithm is discussed in the next section of this Decision.

Whether Petitioner’s equivocation concerning the (in)definiteness of the Module Terms successfully preserves an indefiniteness defense in District Court, despite Petitioner’s demonstrated ability to proffer a means-plus-function construction in the Petition, is a potential issue to be decided later by a different tribunal. We merely conclude, based on the facts presented in this case at this time, that the Petition is not procedurally defective in its proffered construction of the Module Terms.

The Board’s prior decision in *Callminer*, cited by Patent Owner, is distinguished from the facts presented here. In *Callminer*, the petition had “fail[ed] to explain or identify what the structure” was, because the petition provided “unexplained string citations to *voluminous portions* of the specification such as relying on *multiple columns of material* and *multiple*

figures, without identifying what portions of the citations contain the alleged structure.” *Callminer*, IPR2020-00272, Paper 8 at 12–13 (emphases added). By contrast, the table citations in the present Petition are short and to the point, and the Petition states a server is the corresponding structure. *See* Pet. 32–35.

We conclude the Petition here satisfies the procedural requirements of 37 C.F.R. §§ 42.100(b) and 42.104(b)(3).

b) Construction of the Module Terms on the Merits

Patent Owner next argues the Petition’s proffered constructions of the Module Terms are deficient on the merits, because Petitioner “fails to properly address *the algorithms*” per Federal Circuit and PTAB case law concerning means-plus-function limitations, “and instead merely references generic functions while referencing a ‘server’ as the structure.” Prelim. Resp. 55 (emphasis added) (citing Pet. 32–35); *id.* at 55–58 (discussion of case law).

Patent Owner also proffers one express construction of its own, for the term “gaming option collection module” in claims 23 and 29. *See* Prelim. Resp. 26, 58–62.

We do not need to address these arguments at the present time. At best for Patent Owner, they might lead to seven dependent claims of the ’205 patent (claims 15, 16, 23–26, and 29) surviving the present proceeding. They do not affect the patentability of the other twenty-three claims at issue in the present proceeding, including all four independent claims (claims 1, 12, 19, and 28). *See* 35 U.S.C. § 314(a) (authorizing institution of *inter partes* review if there is a reasonable likelihood Petitioner would prevail

with respect to at least *one* of the challenged claims). Thus, we leave resolution of these issues raised by Patent Owner to a full trial on the merits, which will afford Petitioner the opportunity to defend the Petition against Patent Owner’s arguments, if Patent Owner opts to maintain them in its post-institution Papers.

2. *Other Claim Terms*

Based on our review of the record at this preliminary stage, we conclude no further explicit construction of any claim term is needed to resolve the issues presented by the arguments and evidence of record. *See Realtime Data, LLC v. Iancu*, 912 F.3d 1368, 1375 (Fed. Cir. 2019) (“The Board is required to construe ‘only those terms . . . that are in controversy, and only to the extent necessary to resolve the controversy.’”) (quoting *Vivid Techs., Inc. v. Am. Sci. & Eng’g, Inc.*, 200 F.3d 795, 803 (Fed. Cir. 1999)).

E. Ground One — Anticipation by Bryson

In Ground One, Petitioner argues and Mr. Nicely testifies that claims 12, 13, 18–22, 27, 28, and 30 of the ’205 patent are unpatentable as anticipated by Bryson. *See* Pet. 27, 35–38, 40–62; Ex. 1003 ¶¶ 154–165, 173–245. Patent Owner and Dr. Lane disagree. *See* Prelim. Resp. 9–12, 26–45; Ex. 2001 ¶¶ 27–57, 67–75, 80–81. We have reviewed the preliminary record, and we conclude Petitioner has demonstrated a reasonable likelihood of prevailing on its assertions as to at least claim 12. We begin our analysis with a brief summary of Bryson. Then we address the parties’ contentions.

1. *Bryson*

Bryson discloses devices and methods for providing networked wagering games. *See* Ex. 1004, 1:6–7. Bryson discusses “controlling many aspects of a player’s gaming experience, including game themes presented, game denomination, pay models, content and promotions.” *Id.* at 1:30–36. In “[s]ome implementations,” this involves “creat[ing] subsets of customers, often referred to . . . as ‘communities’” of “players having similar characteristics and preferences.” *Id.* at 1:36–45. Thus, Bryson provides apparatuses configured for: “determining a player community”; “selecting wagering games and wagering game characteristics according to the player community”; and “provid[ing] selected wagering games having selected wagering game characteristics.” *Id.* at 1:46–52.

Bryson contemplates implementing its methods on mobile gaming devices such as laptop computers, cellular telephones, or PDAs. *See id.* at 1:56–60, 12:42–47. Therefore, Bryson’s system may include an “apparatus for determining a device location” so “[t]he selecting apparatus may be configured for selecting wagering games and/or wagering game characteristics according to the device location.” *Id.* at 2:16–19, 2:59–62. In particular: “Determining the device’s location allows an online casino to identify the corresponding jurisdiction and to comply with the regulations of that jurisdiction.” *Id.* at 6:9–14. As one example, “[t]he operator (and/or the central system) may provide wagering games, wagering game attributes, etc., according to a player’s community, location and/or device type.” *Id.* at 5:45–47; *see also id.* at 7:49–56 (describing step 125 in Figure 1). As another example, “the presentation may depend on device location” such that “wagering games and/or wagering game attributes may be provided

according to the legal requirements of a device’s jurisdiction” including “[w]agering limits.” *Id.* at 8:24–29.

2. *Independent Claim 12*

a) *12[pre] — “A gaming system comprising:”*

Petitioner contends that, to the extent the preamble of claim 12 is limiting, Bryson discloses a gaming system. *See* Pet. 40–41 (citing Ex. 1004, Fig. 6, 1:46–55, 12:23–30; Ex. 1003 ¶¶ 174, 210). This contention, which Patent Owner does not oppose, is sufficiently supported by the evidence of record to justify institution of review. In particular, Bryson’s Figure 6 illustrates gaming system 600 which “may provide wager-based gaming services.” Ex. 1004, 12:23–27.

b) *12[a] — “at least one processor”*

Petitioner contends Bryson discloses at least one processor. *See* Pet. 41 (citing Ex. 1004, 5:8–12, 5:32–39; Ex. 1003 ¶ 175). This contention, which Patent Owner does not oppose, is sufficiently supported by the evidence of record to justify institution of review. In particular, Bryson’s gaming system 600 has one or more processors at game outcome server 601 and player management servers 602 and 603, to implement games played on various client devices 610, 612, 614, 616, 618, 620, 622, 624, 626, and 628. *See* Ex. 1004, Fig. 6, 5:8–12, 5:36–39, 12:23–30.

c) *12[b] — “at least one communication interface”*

Petitioner contends Bryson discloses at least one communication interface. *See* Pet. 41–42 (citing Ex. 1004, Fig. 6, 12:31–41, 12:56–13:2; Ex. 1003 ¶¶ 176–177). This contention, which Patent Owner does not

oppose, is sufficiently supported by the evidence of record to justify institution of review. In particular, the client devices of Bryson’s gaming system 600 each “provide an interface that allows a user to participate in a game,” by communicating with game outcome server 601 via network infrastructure 606 and 608. Ex. 1004, Fig. 6, 12:31–41, 12:56–13:2.

d) 12[c] — “a memory containing a plurality of program instructions configured to cause the at least one processor to”

Petitioner contends Bryson discloses a memory containing a plurality of program instructions configured to cause the at least one processor to perform actions. See Pet. 43 (citing Ex. 1004, 3:14–30, 12:25–27; Ex. 1003 ¶ 178). This contention, which Patent Owner does not oppose, is sufficiently supported by the evidence of record to justify institution of review. In particular, Bryson’s servers 601, 602, and 603 include software stored in a machine readable medium, wherein the software contains instructions for the server processors to perform actions. See Ex. 1004, 3:14–30, 12:25–27.

e) 12[d] — “create a list of player gaming options for a player at a current location”

Petitioner contends Bryson’s servers create a list of player gaming options for a player at a current location. See Pet. 43–45 (citing Ex. 1004, Fig. 1, 1:11–36, 2:16–19, 2:59–62, 5:40–47, 6:9–11, 6:30–39, 7:49–53, 8:18–23, 8:30–39, 23:4–8, 24:4–8; Ex. 1003 ¶¶ 179–186). Petitioner particularly contends Bryson’s servers are a central system that determines a player’s location to “provide wagering games, wagering game attributes, etc., according to the player’s community, **location**, and/or device type.” *Id.* at 43 (quoting Ex. 1004, 5:40–47 (emphasis by Petitioner)). Petitioner

asserts Bryson’s gaming system determines the location of the player’s device so “‘wagering games and/or wagering game characteristics’ can be presented to a player ‘according to the device location.’” *Id.* at 43–44 (quoting Ex. 1004, 2:16–19) (citing Ex. 1004, 2:59–62, 6:9–11, 8:18–23, 8:30–39). Further according to Petitioner, Bryson’s determination of the player *device*’s location also determines the *player*’s location, as recited in claim 12, because a person of ordinary skill in the art would have understood that it was the player’s location that is relevant to the jurisdictional regulatory concerns expressed in Bryson. *See id.* at 44 (citing Ex. 1004, 7:49–53, 8:30–39, 23:4–8; Ex. 1003 ¶¶ 183, 185). Petitioner moreover contends “the determined ‘wagering games and wagering game attributes’ are presented as a list of available games in a ‘wagering game presentation,’ which is shown at step 125 of Figure 1,” such that “Bryson teaches dynamically creating a custom list of games based on the location of the player in compliance with the legal requirements of the player’s jurisdiction.” *Id.* at 45 (citing Ex. 1004, Fig. 1, 7:49–50, 8:25–26, 24:4–8). Petitioner concludes Bryson teaches “dynamically customizing the presentation of wagering games and gaming options to each player according to their assigned community, the player’s location, and the type of device being used.” *Id.* at 44–45 (citing Ex. 1004, 1:11–36, 5:40–47, 6:30–39).

Patent Owner argues that Petitioner erroneously relies on Bryson as disclosing a processor that creates a list of player gaming options for a player at a current location. *See Prelim Resp.* 26–44 (citing Ex. 2001 ¶¶ 31–57, 67–75). Patent Owner points out that Petitioner has two burdens, firstly to identify with particularity the grounds and the evidence underlying the

Petition per 35 U.S.C. § 312(a)(3), and secondly to show a reasonable likelihood of prevailing per 35 U.S.C. § 314. *See* Prelim. Resp. 27–28, 29, 41. Patent Owner asserts neither burden has been met here. *See id.*

We conclude the Petition easily satisfies the first burden. The Petition provides extensive analysis of Bryson (Exhibit 1004) in the context of claim 12, including detailed citations to Bryson and to related declaration testimony of Petitioner’s witness Mr. Nicely (Exhibit 1003). *See* Pet. 35–38, 40–49. To the extent there is a lack of clarity in Petitioner’s arguments, as the Preliminary Response suggests at times, this is better considered in the context of Petitioner’s second burden. We therefore turn to that inquiry.

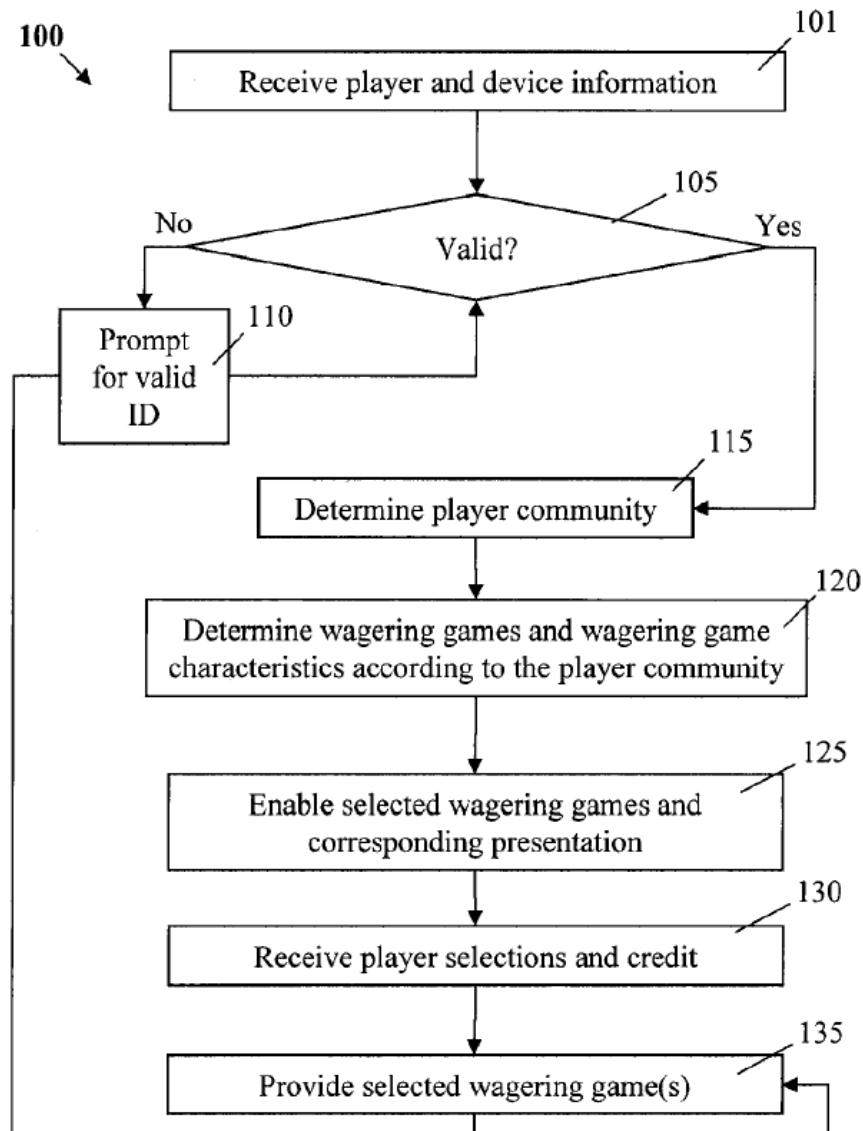
Patent Owner argues the Petition mischaracterizes Bryson as disclosing “dynamically customizing the presentation of wagering games and gaming options to each player according to their assigned community [and] the player’s location.” Prelim. Resp. 29, 30 (quoting Pet. 44). Patent Owner focuses particularly on the Petition’s reference to “*dynamically customizing* the presentation” (Pet. 44 (emphasis added)), and suggests repeatedly that those two terms are recited in claim 12. *See, e.g.,* Prelim. Resp. 30–31 (“Nothing [in Bryson] is dynamic, and nothing reaches the claim language of ‘create a customized list of available games . . . ’ as nothing is customized[.]”), 31 (“Petitioner’s allegation that Bryson teaches “dynamic” list creation is unsupported[.]” (footnote omitted)), 41 (“Bryson does not anticipate, nor does it render obvious, 12[d]: ‘create a customized list of available games for a player at a current location[.]’”).

However, limitation 12[d] recites simply that at least one processor “create[s] a list of player gaming options for a player at a current location.” Ex. 1001, 17:14–17. Claim 12 does not contain either term “dynamically”

or “customized,” nor does the claim contain an arguably analogous term for either term, so far as we can tell from the present record. *See id.* at 17:14–20. The same is true for the other three independent claims of the ’205 patent. *See id.* at 15:50–58 (claim 1), 17:50–55 (claim 19), 18:55–63 (claim 28). Thus, Patent Owner’s arguments attempting to distinguish Bryson from the independent claims of the ’205 patent on the basis that Bryson does not provide a dynamic or a customized creation of player gaming options rest on unclaimed limitations.

Patent Owner also argues Bryson fails to disclose limitation 12[d] because “Bryson teaches casino-operator created communities for players” that are “set by a casino operator long before login” of the player to choose a game to play. Prelim. Resp. 29–30, 31 (citing Ex. 1004, Fig. 1, 6:25–39, 14:35–46; Ex. 2001 ¶¶ 31–57, 67–74). Patent Owner concedes that “[d]uring log-in, a location check occurs to ensure jurisdictional compliance,” but Patent Owner insists that “after log-in the players are assigned to their associated communities [without any] removal of gaming options from a list according to location.” *Id.* at 29–30, 33–38, 39–41 (citing Ex. 1004, Fig. 1, 5:40–47, 5:55–63, 6:11–14, 6:25–39, 7:9–16, 7:49–61, 8:24–39, 23:4–8; Ex. 2001 ¶¶ 31–57, 67–74). Patent Owner further asserts Bryson’s player communities are assigned based on players having like characteristics or preferences, *not* on player location, so Bryson does not satisfy claim 12’s requirement of creating a list of player gaming options for a player at a current location. *Id.* at 29, 30–33 (citing Ex. 1004, code (57), 1:11–29, 1:33–45, 2:31–37, 5:40–47, 7:53–56, 8:11–17; Ex. 2001 ¶¶ 31–57, 43–45, 55).

We conclude, based on the present record, that Petitioner’s reliance on Bryson, as disclosing at least one processor that creates a list of player gaming options for a player at a current location, is sufficiently supported by the evidence of record to justify institution of review. We reproduce an excerpt of Bryson’s Figure 1 below.



Bryson, Figure 1 (Excerpt).

Bryson’s Figure 1 is a flow chart 100 illustrating some methods of providing wagering games according to player communities. *See* Ex. 1004, 4:27–28, 5:48–51. The excerpt here includes steps 101, 105, 115, 120, 125, and 135.

In step 101, as described in Bryson, player and device information is received by Bryson's servers. *See* Ex. 1004, 5:55–61, 6:9–27. The player information includes a player identification code and a password to authenticate the player, and the device information includes “device authentication and/or location determination” such that “[d]etermining the device's location allows [the servers] to identify the corresponding jurisdiction and to comply with the regulations of that jurisdiction.” *Id.* In step 105, as described in Bryson, the servers determine whether the information provided in step 101 is valid so as to authenticate the player and the device to proceed with game play. *See id.* at 6:25–32. Thus, based on the present record, with agree with Patent Owner's contention that “[d]uring log-in [i.e., steps 101 and 105], a location check occurs to ensure jurisdictional compliance.” Prelim. Resp. 29; *id.* at 39 n.7.

In step 115, as described in Bryson, “the player's community is determined” by Bryson's servers, based on several factors. Ex. 1004, 6:30–39. Such factors include type of games to be played (e.g., poker, blackjack, etc.); the player's game experience level; and game theme types (e.g., a particular slot machine). *See id.* at 6:53–7:3. In step 120, “wagering games associated with the player community are determined” including “[w]agering game characteristics, such as denomination, volatility, etc.” as well as “[o]ther aspects of game and content presentation associated with the player community.” *Id.* at 7:9–16.

In step 125, as described in Bryson, “[a] determined wagering game presentation is then provided to the player.” Ex. 1004, 7:49–50. Subsequently, in step 130 “a player's wagering game selections and credit are received” and in step 135 “[s]elected wagering games are provided.” *Id.*

at 8:57–60. Thus, in context, the “wagering game presentation” determined in step 125 corresponds to a list of player gaming options presented to the player, to be selected in step 130 and played in step 135. We therefore focus on Bryson’s description of step 125.

According to Bryson: “Step 125 may vary according to various factors, including the characteristics of the player community, the type and location of the device used for gaming and the provisioning mode.” Ex. 1004, 7:50–53. This disclosure contemplates that Bryson’s servers provide wagering games according to the player’s community *and* the player device’s location, as separate and cumulative considerations. This is reinforced by Bryson’s earlier description that “[t]he operator (and/or the central system) may provide wagering games, wagering game attributes, etc., according to a player’s community, location and/or device type.” *Id.* at 5:45–47.

Thus, Bryson’s disclosure belies Patent Owner’s position and Dr. Lane’s testimony that Bryson’s use of the player’s location is limited to the authentication process of steps 101 and 105, as Bryson plainly refers to the player device’s location being used in the presentation of player gaming options in step 125. Indeed, in further describing step 125, Bryson states “*the presentation may depend on device location.*” Ex. 1004, 8:24–25 (emphasis added). Bryson then provides an example of why this might be done — to provide “wagering games and/or wagering game attributes . . . according to the legal requirements of a device’s jurisdiction” including “[w]agering limits . . . according to jurisdictional requirements.” *Id.* at 8:25–29. As another example, “[e]ven within the same legal jurisdiction, the presentation may depend on device location,” for example to prevent playing

of “X-rated slots . . . in a family-oriented area” such as a casino hotel pool. *Id.* at 8:30–39.

Patent Owner also asserts Bryson’s player communities are assigned by an operator, *not* by at least one processor as claimed. *See* Prelim. Resp. 29, 30–33 (citing Ex. 1004, code (57), 1:33–45, 2:31–37, 5:40–47, 8:11–17; Ex. 2001 ¶¶ 31–57); *id.* at 38–39 (“By way of example of Bryson’s casino-operator community creation, Bryson provides a management console (*e.g.*, FIGS. 3–5), where an operator can create and organize communities.”) (citing Ex. 1004, 7:9–12, 7:49–50, 9:33–53). In particular, according to Patent Owner, Bryson’s process “is very different from” claim 12 of the ’205 patent, in which “all the options [are] presented to a user, based on location” and which “provides more dynamic options.” *Id.* at 43–44 (citing Ex. 1001, Fig. 3).

Whether Bryson’s player communities are assigned by an operator rather than a processor is not determinative of whether Bryson discloses limitation 12[d], based on the present record. On this record, regardless of how the player communities are assigned, we conclude Bryson contemplates a “central system” (*i.e.*, a server) that provides wagering games according to the player’s community *and* the player’s location, as separate and cumulative considerations. *See* Ex. 1004, 5:45–47, 7:49–56, 8:24–39. Bryson further discloses in step 125 that the server presents gaming options to the player depending on the player device’s location, in particular so that the wagering games and their attributes are in accord with the requirements of the legal jurisdiction where the device is located. *See id.*

We conclude the evidence of record sufficiently supports Petitioner’s contention that Bryson discloses at least one processor that creates a list of

player gaming options for a player at a current location, to justify institution of review.

f) 12[e] — “wherein the list of player gaming options restricts limits on wagers or types of games allowed in the current location of the player”

Petitioner contends Bryson’s list of player gaming options restricts limits on wagers or types of games allowed in the current location of the player. *See* Pet. 45–46 (citing Ex. 1004, 8:24–29, 23:4–8; Ex. 1003 ¶¶ 182–187). This contention, which Patent Owner does not oppose, is sufficiently supported by the evidence of record to justify institution of review. In particular, Bryson describes how “wagering game attributes may be provided according to the legal requirements of a device’s jurisdiction,” including “[w]agering limits” as well as “types of games that can be played.” Ex. 1004, 8:24–29, 23:4–8.

g) 12[f] — “transfer the list of player gaming options to a player gaming client through the communication interface”

Petitioner contends Bryson’s servers transfer the list of player gaming options to a player gaming client through the communication interface. *See* Pet. 46–47 (citing Ex. 1004, Fig. 6, 7:53–56, 12:34–41; Ex. 1003 ¶¶ 176–177, 188–190). This contention, which Patent Owner does not oppose, is sufficiently supported by the evidence of record to justify institution of review. In particular, Bryson indicates “[a] determined wagering game presentation is then provided to the player” on the player’s client device 610, 612, 614, 616, 618, 620, 622, 624, 626, or 628, as implemented by game outcome server 601 via network infrastructure 606 and 608. Ex. 1004, 7:49–50; *id.* at Fig. 1 (step 125), Fig. 6, 7:49–56, 12:23–41.

- h) 12[g] — “receive a selection of player gaming options from the player gaming client through the communication interface”*

Petitioner contends Bryson’s servers receive a selection of player gaming options from the player gaming client through the communication interface. *See* Pet. 47–48 (citing Ex. 1004, Fig. 1, 8:57–58, 12:31–39; Ex. 1003 ¶¶ 191–192). This contention, which Patent Owner does not oppose, is sufficiently supported by the evidence of record to justify institution of review. In particular, Bryson’s servers receive “a player’s wagering game selections” from the player’s client device 610, 612, 614, 616, 618, 620, 622, 624, 626, or 628, via network infrastructure 606 and 608. *See* Ex. 1004, 8:57–58 (describing Fig. 1, step 130), 12:23–39 (describing Fig. 6).

- i) 12[h] — “initiate a game based on the selection of player gaming options”*

Petitioner contends Bryson’s servers initiate a game based on the selection of player gaming options. *See* Pet. 48–49 (citing Ex. 1004, Fig. 1, 8:57–60, 12:37–39; Ex. 1003 ¶¶ 193–194). This contention, which Patent Owner does not oppose, is sufficiently supported by the evidence of record to justify institution of review. In particular, Bryson’s servers provide selected wagering games to the player’s client device 610, 612, 614, 616, 618, 620, 622, 624, 626, or 628. *See* Ex. 1004, 8:58–60 (describing Fig. 1, step 135), 12:23–39 (describing Fig. 6).

- j) 12[i] — “compensate the player with player winnings”*

Petitioner contends Bryson’s servers compensate the player with player winnings. *See* Pet. 49 (citing Ex. 1004, 13:3–15, 23:19–34; Ex. 1003

¶¶ 195–196). This contention, which Patent Owner does not oppose, is sufficiently supported by the evidence of record to justify institution of review. In particular, Bryson’s servers “allow a remote client to provide game play of games where a monetary balance [in a player account] is adjusted based upon the outcome of the game.” Ex. 1004, 13:3–15.

k) Conclusion Regarding Claim 12

For the foregoing reasons, and based on the present record, we determine Petitioner has provided sufficient argument and evidence in relation to the proposed anticipation of claim 12 by Bryson to demonstrate a reasonable likelihood that Petitioner would prevail with respect to this challenge.

3. Independent Claim 19

Petitioner argues and Mr. Nicely testifies that claim 19 is unpatentable as anticipated by Bryson. *See* Pet. 52–58; Ex. 1003 ¶¶ 201–224.

“When instituting *inter partes* review, the Board will authorize the review to proceed on all of the challenged claims and on all grounds of unpatentability asserted for each claim.” 37 C.F.R. § 42.108(a). We must “either (1) institute as to all claims challenged in the petition and on all grounds in the petition, or (2) institute on no claims and deny institution.” Patent Trial and Appeal Board Consolidated Trial Practice Guide (Nov. 2019) (“CTPG”)⁵, 5–6, 64. We “will not institute on fewer than all claims or all challenges in a petition.” *Id.* at 5, 64; *see also PGS Geophysical AS v. Iancu*, 891 F.3d 1354, 1359–60 (Fed. Cir. 2018) (stating a

⁵ Available at <https://www.uspto.gov/TrialPracticeGuideConsolidated>.

decision to institute is “a simple yes-or-no institution choice respecting a petition, embracing all challenges included in the petition”). Thus, because we have decided to grant institution on Ground One against claim 12, we must do the same for claim 19.

We nonetheless consider Patent Owner’s arguments addressing claim 19 separately from claim 1. Patent Owner notes claim 19 “requires a server to ‘monitor the game,’” and asserts the ’205 patent correspondingly explains “games are monitored in order to track player behavior so that cheating can be detected.” Prelim. Resp. 27, 45 (citing Ex. 1001, 7:49–67; Ex. 2001 ¶ 80). According to Patent Owner, Bryson does not disclose this claim requirement, and instead “teaches taking a snapshot so that players who disconnect can reconnect and resume gaming.” *Id.* (citing Ex. 1004, 21:5–13). Patent Owner asserts “[t]aking a snapshot is not monitoring” because “[m]onitoring requires more than a mere snapshot.” *Id.*

Claim 19 pertinently recites a “gaming server” that is configured to “monitor the game” played by a player on a gaming client. Ex. 1001, 17:49–18:3. The claim does not specify any reason or detail for the required monitoring. *See id.* Patent Owner’s claim construction, which would require the monitoring to track player behavior to detect cheating, improperly reads a limitation into the claim from the specification. Based on the present record, we find Bryson discloses game outcome server 601 that “maintain[s] a current state of the game during game play” so that, if a connection with a client device is lost, the game may be restored to its state prior to the lost connection. *See* Ex. 1004, 21:5–13 (cited at Pet. 57). This appears to satisfy the game monitoring limitation of claim 19, based on the present record.

4. *Independent Claim 28 and
Dependent Claims 13, 18, 20–22, 27, and 30*

Petitioner argues and Mr. Nicely testifies that claims 13, 18, 20–22, 27, 28, and 30 are unpatentable as anticipated by Bryson. *See* Pet. 49–51, 58–62; Ex. 1003 ¶¶ 197–200, 225–245. As discussed above in Section IV.E.3, because we have decided to grant institution on Ground One as to claim 1, we must do the same for the other claims. Further, Patent Owner presently relies solely on arguments we have already considered above in the context of claims 1 and 19, so there is nothing more for us to consider here. *See* Prelim. Resp. 45 (independent claim 28); *id.* at 26–45 (not addressing dependent claims separately from independent claims).

F. *Ground Two—Obviousness over Bryson and the Knowledge of a
Person of Ordinary Skill in the Art*

In Ground Two, Petitioner argues and Mr. Nicely testifies that claims 12, 13, 18–22, 27, 28, and 30 of the '205 patent are unpatentable as having been obvious over Bryson and the knowledge of a person of ordinary skill in the art. *See* Pet. 27, 35–38, 40–62; Ex. 1003 ¶¶ 154–165, 173–245. As discussed above in Section IV.E.3, because we have decided to grant institution on Ground One, we must do the same for Ground Two. We nonetheless consider Patent Owner's argument addressing Ground Two separately from Ground One.

Patent Owner argues Ground Two does not properly apply *Graham v. John Deere, supra*, because "Petitioner does not describe how Bryson renders obvious the claims, or what limitation would have been obvious." Prelim. Resp. 45–46.

Based on the present record, we agree with Patent Owner at least as to claim 12. We do not discern anything in the Petition’s analysis of claim 12 in Ground Two (obviousness over Bryson and the knowledge of a person of ordinary skill in the art) that differs from Ground One (anticipation by Bryson). Instead, the Petition presents an omnibus analysis of claim 12 for both grounds, that does not identify clearly how Ground Two might differ from Ground One. *See* Pet. 40 (section heading “Grounds 1 and 2: . . .”); *id.* at 40–49 (addressing claim 12).

However, the Petition does articulate separate obviousness theories for other claims. *See, e.g.,* Pet. 50–51 (claim 18), 61–62 & n.4 (claim 30).

G. Ground Three—Obviousness over Bryson and Schlottmann

In Ground Three, Petitioner argues and Mr. Nicely testifies that claims 15–17 of the ’205 patent are unpatentable as having been obvious over Bryson and Schlottmann. *See* Pet. 27, 39, 62–66; Ex. 1003 ¶¶ 169–170, 246–256. As discussed above in Section IV.E.3, because we have decided to grant institution on Ground One, we must do the same for Ground Three. Further, Patent Owner presently relies solely on arguments we have already considered above in order to oppose Ground Three, so there is nothing more for us to consider here. *See* Prelim. Resp. 48.

H. Ground Four—Obviousness over Bryson and Amaitis

In Ground Four, Petitioner argues and Mr. Nicely testifies that claims 1, 4–11, 14, 23 and 29 of the ’205 patent are unpatentable as having been obvious over Bryson and Amaitis. *See* Pet. 27, 38–39, 66–86; Ex. 1003 ¶¶ 166–168, 257–325. As discussed above in Section IV.E.3, because we have decided to grant institution on Ground One, we must do the

same for Ground Four. We nonetheless consider Patent Owner’s argument addressing Ground Four separately from Ground One.

1. Independent Claim 1

Petitioner argues and Mr. Nicely testifies that claim 1 is unpatentable as having been obvious over Bryson and Amaitis. *See* Pet. 66–73; Ex. 1003 ¶¶ 257–286. Petitioner relies on Bryson as disclosing the bulk of claim 1, in substantially similar fashion as discussed above in relation to claim 12 and Ground One. *See* Pet. 66–73. In that regard, Patent Owner argues Petitioner fails to establish Bryson discloses limitation 1[a], “creating a list of player gaming options for a player in a current location,” for the same reasons discussed above in the context of Ground One and the substantially identical limitation 12[d]. *See* Prelim. Resp. 46; Ex. 1001, 15:50–51 (limitation 1[a]). For the reasons provided above, we conclude Patent Owner’s opposition is not persuasive, based on the present record.

Petitioner then relies on Amaitis as disclosing “matching the player with the at least one competitor . . . by an administration server,” as recited in claim 1. Ex. 1001, 15:67–16:2; *see* Pet. 69–71 (limitations 1[g] and 1[h]). In support of this combination, Petitioner contends Bryson and Amaitis both “teach systems for remote and mobile gaming” including “multiplayer games” such as poker, blackjack, and sports wagering. Pet. 66–67, 68 (citing Ex. 1004, 8:18–23, 13:51–56; Ex. 1005 ¶¶ 22, 24, 27, 33; Ex. 1003 ¶¶ 257–258, 261). However, according to Petitioner, “Bryson does not expressly disclose details of *matching players* for multi-player gaming.” *Id.* at 67 (emphasis added) (citing Ex. 1003 ¶ 258).

Petitioner contends Amaitis “expressly teaches those [player matching] details and provides an express motivation to combine them with Bryson,” by “enabling multi-player or ‘peer-to-peer’ gaming where ‘multiple players [] participate in the same gaming activity,’” “*particularly*” poker, blackjack, and horse racing. *Id.* (quoting Ex. 1005 ¶ 24 (emphasis by Petitioner)) (citing Ex. 1003 ¶ 259). Petitioner asserts a person of ordinary skill in the art would have been motivated “to improve Bryson’s system by including [Amaitis’s] competitor matching and ‘buddy lists’ of competitors,” thereby making it easier and more enjoyable for players to participate in multi-player games, and thereby increase player patronage and profits for the game provider. *Id.* at 67–68 (citing Ex. 1004, code (57), 1:11–36, 5:32–36; Ex. 1003 ¶¶ 259–260).

Patent Owner argues a person of ordinary skill in the art would not have been motivated to combine Bryson and Amaitis. *See* Prelim. Resp. 47–48; Ex. 2001 ¶¶ 29–30. Patent Owner asserts Petitioner fails to establish “Bryson’s teaching provides motivation to look at peer-to-peer gaming.” Prelim. Resp. 47 (citing Pet. 67). According to Patent Owner and Dr. Lane, “Bryson is a casino-focused patent,” and “[p]roviding peer-to-peer gaming to a casino-focused, money based, patent allows for cheating as the casino is no longer involved.” *Id.*; Ex. 2001 ¶¶ 29–30. Patent Owner asserts the ’205 patent “considers non-monetary arcade games like football,” in which allowing peer-to-peer play makes sense, in contrast to Bryson’s “focus[] on money-gaming.” Prelim. Resp. 47–48; Ex. 2001 ¶¶ 29–30.

We conclude Patent Owner’s present opposition is not persuasive. The evidence presently of record does not support Patent Owner’s argument and Dr. Lane’s testimony that the possibility of cheating would have

dissuaded a person of ordinary skill in the art from providing remote peer-to-peer wagering games using mobile devices. Bryson and Amaitis both contemplate providing such wagering game services, despite the possibility of cheating. *See* Ex. 1004, 8:18–23, 13:43–56 (Bryson provides “wager gaming” on “mobile gaming device[s],” including poker, blackjack, and sports wagering); Ex. 1005 ¶¶ 22, 24, 27, 33 (Amaitis provides “gambling” by players at “dispersed locations” using mobile phones, including poker, blackjack, and sports betting). Moreover, Amaitis discusses various methods of enhancing the security of a system that allows mobile devices to be used for peer-to-peer wagering games. *See* Ex. 1005 ¶¶ 23, 33, 68, 56, 91 (determining the location of the mobile device to permit or disallow gaming based on the laws of the local jurisdiction); *id.* ¶ 23 (location determines “the type of network topology”); *id.* ¶ 41 (location determines whether “double gaming” is provided); *id.* ¶ 53 (“distinguishing between permissible and impermissible communications”); *id.* ¶ 59 (enforcing a “minimum distance requirement” maintained between mobile users 912).

2. *Dependent Claims 23 and 29*

Petitioner argues and Mr. Nicely testifies that claims 23 and 29 are unpatentable as having been obvious over Bryson and Amaitis. *See* Pet. 83–86; Ex. 1003 ¶¶ 316–325. Patent Owner’s only argument addressing these claims separately from their respective parent claims is to rely on Patent Owner’s proffered claim construction of the term “gaming option collection module” in order to distinguish the claims from Bryson. *See* Prelim. Resp. 46–47. As discussed above in Section IV.D.1(b), we do not

address Patent Owner’s proffered claim construction at the present time, so we likewise do not address whether Bryson discloses the claimed “gaming option collection module” applying that construction.

3. *Dependent Claims 4–11 and 14*

Petitioner argues and Mr. Nicely testifies that claims 4–11 and 14 are unpatentable as having been obvious over Bryson and Amaitis. *See* Pet. 73–82; Ex. 1003 ¶¶ 287–315. As discussed above in Section IV.E.3, because we have decided to grant institution on Ground One, we must do the same for Ground Four. Further, Patent Owner presently relies solely on arguments we have already considered above in order to oppose Ground Four in relation to these claims, so there is nothing more for us to consider here. *See* Prelim. Resp. 46–48.

I. *Grounds Five and Six—Obviousness over Bryson, Amaitis, and Frenkel or Frenkel with Schlottman*

In Ground Five, Petitioner argues and Mr. Nicely testifies that claims 2 and 3 are unpatentable as having been obvious over Amaitis, Bryson, and Frenkel. *See* Pet. 27, 39, 86–91; Ex. 1003 ¶¶ 326–342. In Ground Six, Petitioner argues and Mr. Nicely testifies that claims 24–26 are unpatentable as having been obvious over Amaitis, Bryson, Frenkel, and Schlottmann. *See* Pet. 27, 39, 91–94; Ex. 1003 ¶¶ 343–353. As discussed above in Section IV.E.3, because we have decided to grant institution on Ground One, we must do the same for Grounds Five and Six. Further, Patent Owner presently relies solely on arguments we have already considered above in order to oppose Grounds Five and Six, so there is nothing more for us to consider here. *See* Prelim. Resp. 48.

V. CONCLUSION

For the above reasons, we determine the information presented in the record establishes there is a reasonable likelihood that Petitioner would prevail with respect to at least one claim of the '205 patent challenged in the Petition. We also do not exercise our discretion under 35 U.S.C. § 325(d) to deny institution. Accordingly, we institute an *inter partes* review of claims 1–30 on all grounds presented in the Petition.

At this preliminary stage, the Board has not made a final determination with respect to the patentability of the challenged claims or any underlying factual or legal issue. The Board's final determination will be based on the record as developed during the *inter partes* review.

VI. ORDER

In consideration of the foregoing, it is hereby:

ORDERED that, pursuant to 35 U.S.C. § 314(a), an *inter partes* review is instituted for claims 1–30 of the '205 patent on all grounds presented in the Petition; and

FURTHER ORDERED that, pursuant to 35 U.S.C. § 314(c) and 37 C.F.R. § 42.4, notice is hereby given of the institution of a trial, which commences on the entry date of this decision.

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