

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.

IPR2022-01447
Patent 9,613,498 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 1, “Pet.”) pursuant to 35 U.S.C. §§ 311–319 to institute an *inter partes* review of U.S. Patent No. 9,613,498 B2 (Ex. 1001, “the ’498 patent”), claims 1–20.

AG 18, LLC d/b/a Arrow Gaming (“Patent Owner”) has filed a Preliminary Response (Paper 10, “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. 4. 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 ’498 patent. They are IPR2022-01442 (U.S. Patent No. 10,497,220 B2); IPR2022-01445 (U.S. Patent No. 11,024,131 B2); IPR2022-01446 (U.S. Patent No. 9,978,205 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. 4; Paper 3, 1.

B. The '498 Patent Specification

The '498 patent is directed to systems and methods for peer-to-peer gaming, including wagers placed by the players on game results. *See* Ex. 1001, 1:11–17, 2:25–38. Figure 1 of the '498 patent is reproduced below.

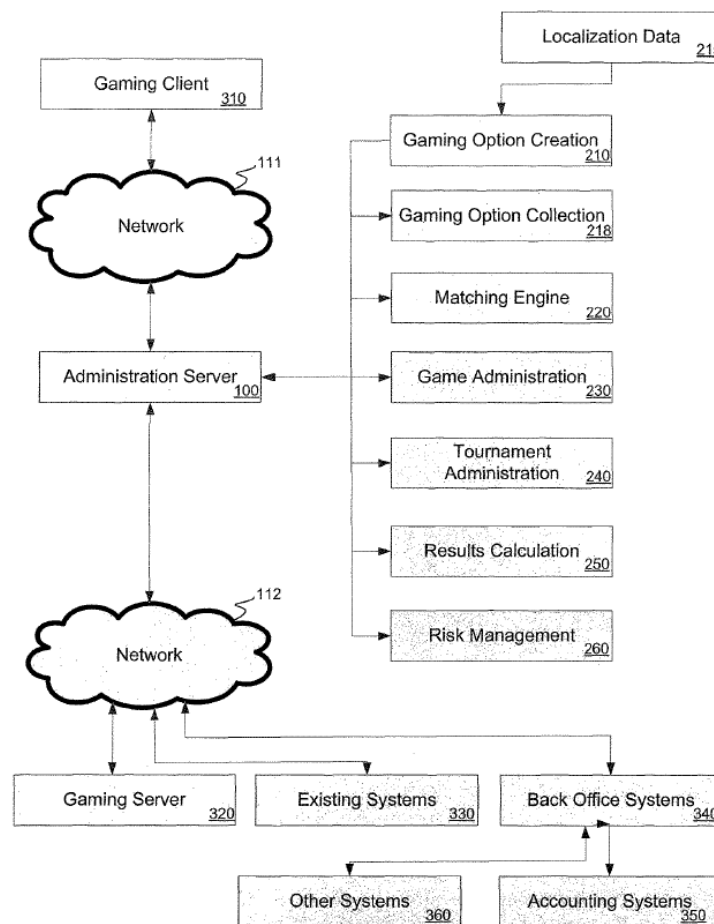


Figure 1
The '498 Patent, Figure 1.

Figure 1 illustrates a high level network architecture of a peer-to-peer gaming system. *See id.* at 3:3–4. Each player utilizes a respective gaming client 310 to access administration server 100 via network 111 to play games. *See id.* at 3:46–52, 4:6–7. Exemplary gaming clients 310 include kiosks, PDAs, and wireless tablets. *See id.* at 3:52–55. 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 4:48–56, 6:43–55.

Administration server 100 is connected to gaming server 320, which contains the games that are played by the players. *See id.* at 4:40–43. 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 4:35–40, 5:20–24. 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 5:32–40.

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 5:37–40. 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 6:43–48. The “list may include which games are available, such as Poker or 9-Ball,” as well as “the wager amounts available for each game” such as a “betting range.” *Id.* at 6:51–55, 8:23–31 (Fig. 3 shows exemplary user-interface screens for a player to select a game to be played within a specific betting range), 10:24–30, 11:7–19. 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 9:15–30. 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 5:40–42, 6:56–59.

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 5:42–43, 6:65–7:3, 10:34–48.

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 5:43–49, 8:44–53.

C. The Challenged Claims of the '498 Patent

The Petition challenges claims 1–20 of the '498 patent, which include independent claims 1, 12, and 13. *See* Pet. 1; Ex. 1001, 15:18–18:64. We reproduce illustrative claim 1 here, adding Petitioner’s limitation identification scheme, which Patent Owner also uses. *See* Pet. 5–6; *e.g.*, Prelim. Resp. 23 (referring to “Claim 1[b]”).

[pre] 1. A computer-server-based method for peer-to-peer gaming, comprising:

[a] creating a list of player gaming options for a player in a current location,

- [b] wherein the list of player gaming options is automatically created at an administration server based on the current location of the player,
- [c] wherein the list of player gaming options is limited to legal gaming options in the current location of the player; and
- [d] wherein the legal gaming options include limits on wagering amounts or types of games to prevent the player from unlawful play in the current location of the player[;]
- [e] presenting a player with the list of player gaming options, wherein the list of player gaming options is presented to the player at a player gaming client;
- [f] collecting a selection of player gaming options from the player,
 - wherein the selection of player gaming options includes a betting range;
- [g] determining a game type that the player selected, wherein the game type is based on the selection of player gaming options;
- [h] matching the player with an at least one competitor,
 - wherein matching the player with the at least one competitor is based at least in part on the betting range, and
 - wherein matching the player with the at least one competitor is performed by the administration server;
- [i] collecting a bet from the player,
 - wherein the bet is within the betting range identified in the selection of player gaming options;
- [j] initiating a game for the player, wherein the game is based on the selection of player gaming options;
- [k] collecting results of the game, wherein the results of the game are received at the administration server; and
- [l] compensating the player with player winnings, wherein the player winnings are based on the results of the game.

Ex. 1001, 15:49–16:22.

D. Asserted Prior Art

Petitioner relies principally on the following references. *See* Pet. 13.

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
Oberberger	US 2009/0088253 A1	Apr. 2, 2009	1009
Bryson	US 8,460,109 B2	June 11, 2013	1004

Petitioner asserts these references are prior art to the '498 patent because each was published or filed prior to the '498 patent's earliest claimed priority date of June 20, 2008. *See* Pet. 18 (priority date), 22 (Amaitis), 24 (Bryson), 26 (Oberberger and Frenkel), 27 (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, all under 35 U.S.C. § 103(a).¹ *See* Pet. 13.

Ground	Claims Challenged	References
1	1, 4–17	Amaitis, Bryson
2	1, 4–17	Amaitis, Bryson, Oberberger
3	2, 3	Amaitis, Bryson, Frenkel
4	2, 3	Amaitis, Bryson, Oberberger, Frenkel
5	18–20	Amaitis, Bryson, Frenkel, Schlottmann
6	18–20	Amaitis, Bryson, Oberberger, Frenkel, Schlottmann

¹ The Leahy-Smith America Invents Act (“AIA”) included revisions to 35 U.S.C. § 103 that became effective in March 2013. The '498 patent was filed on June 19, 2009. *See* Ex. 1001, code (22). Therefore we apply the pre-AIA version of § 103 here.

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.

Patent Owner argues we “should accord no weight to” Mr. Nicely’s testimony. Prelim. Resp. 71–72. According to Patent Owner, “[t]he vast majority of [Mr. Nicely’s testimony] that pertains to the claims of the ’498 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. 72 (citing *Cambrios Film Solutions Corp. v. C3Nano, Inc.*, IPR2019-00709, Paper 15 at 18 (PTAB Aug. 26, 2019)).

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”² considered by the Office during prosecution of the ’498 patent. Prelim. Resp. 13 (citing Ex. 2001 ¶¶ 58–66). Petitioner provides opposing arguments. *See* Pet. 84–87. 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

² *See* Ex. 1057 (US 2007/0202941 A1 to Miltenberger et al.).

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 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 '498 Patent

The prosecution history of the '498 patent, which was filed as U.S. Patent Application No. 12/488,241, is in the record as Exhibit 1002. As originally filed, the application included claims 1–20, which eventually issued (after amendment) as claims 1–20 in the '498 patent. *See* Ex. 1002, 7 (“The allowed claim(s) is/are 1–20.”), 282–288 (original claims 1–20). We focus here on claim 1, because it represents the § 325(d) issues presented.

On July 25, 2016, the Examiner rejected claim 1 under 35 U.S.C. § 103(a) as unpatentable over Ochi (US 2001/0019965 A1) in view of Miltenberger. *See* Ex. 1002, 129–133. The Examiner found Ochi discloses a computer-server-based method for peer-to-peer gaming comprising several claim limitations, but “Ochi is silent on the list of player gaming options being for a player in a current location, *the list being limited to legal gaming options in the current location of the player.*” *Id.* at 131–132 (emphasis

added). The Examiner found “Miltenberger teaches an internet remote game server in which a casino acts as a host for client gaming devices” and “[t]he system provides connected players a list of available games hosted by the casino,” such that “[i]n order for the player to actually access and play the games, the player must pass a location check to ensure that the current location of the player is able to legally play the gaming options.” *Id.* at 132–133 (citing Ex. 1057, Fig. 1, ¶¶ 86, 122, 123, 228). The Examiner concluded it would have been obvious to implement Miltenberger’s “current location check” within Ochi’s gaming method “in order to ensure that players accessing the casino games from locations outside of the physical casino are legally able to play the games and avoiding legal complications.” *Id.* at 133.

On October 12, 2016, the applicant amended claim 1. *See* Ex. 1002, 109–110, 117. Claim 1 was amended to require a player to select a betting range that is used to match the player with a competitor, which the applicant argued was not disclosed in Ochi or in Miltenberger. *See id.* at 110 (claim amendments), 117–119 (argument).

On December 13, 2016, the Examiner rejected claim 1 under 35 U.S.C. § 103(a) as unpatentable over Ochi in view of Miltenberger and Lutnik (US 2008/0248849 A1). *See* Ex. 1002, 77–82. This rejection relied on Ochi and Miltenberger as in the first rejection, and relied on Lutnik for the obviousness of requiring a player to select a betting range which is used to match the player with a competitor. *See id.* at 80–82.

On January 19, 2017, the Examiner and the applicant participated in an interview, during which they discussed Miltenberger and a proposed amendment from the applicant. *See* Ex. 1002, 37–42. “[T]he Examiner

noted that Miltenberger still appears to teach the claimed invention” in the proposed amendment, because “the player will receive a list of playing gaming options when the player is in a jurisdiction that allows wagering.” *Id.* at 38. The Examiner then discussed claim amendments that might overcome the pending rejection. *See id.*

On January 23, 2017, the applicant amended claim 1. *See* Ex. 1002, 48–49, 55. Claim 1 was amended to recite “the list of player gaming options is automatically created at an administration server based on the current location of the player,” and “the list of player gaming options is limited to legal gaming options in the current location of the player . . . wherein the legal gaming options include limits on waging amounts or types of games to prevent the player from unlawful play in the current location of the player.” *Id.* at 49. The applicant argued Miltenberger did not disclose this newly claimed subject matter. *See id.* at 55–57 (citing Ex. 1057 ¶¶ 86, 122, 123, 228).

On February 17, 2017, the Examiner issued a Notice of Allowance, allowing claim 1. *See* Ex. 1002, 3, 7. The Examiner included a statement of reasons for allowance, as follows:

While the prior art [e.g., Miltenberger] discloses preventing players from participating in gaming if the player is located in an area with no legal gaming jurisdictions (i.e. a region in which gambling is illegal), and presenting a player with a list of playable games when the player is in a legal jurisdiction, *there is no apparent teaching or suggestion in the prior art of automatically creating a list of player gaming options based on the current location of the player limited to legal gaming options in the current location of the player and including limits on waging amounts or types of games to prevent the player from unlawful play in the current location of the player. In the known prior art, if a player is not in a*

location with legal gambling laws, the player simply does not receive a list of gaming options, e.g. gaming options that do not involve wagering or gambling.

Id. at 8–9 (emphasis added). The '498 patent then issued on April 4, 2017. *See* Ex. 1001, code (45).

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 '498 patent as are advanced in the Petition. *See* Prelim. Resp. 1–3, 12–20. Patent Owner particularly asserts Miltenberger “has nearly identical location-based teachings to Bryson (and many word-for-word teachings).” *Id.* at 1–2, 12–13, 15–17 (citing Ex. 1004, 5:45–47, 6:25–29, 7:49–61, 8:24–39, 12:50–55, 23:4–18; Ex. 1057, code (57), ¶¶ 8, 38, 67, 82, 86, 101, 130, 269–274; 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 the same location-based teachings from Bryson/Miltenberger” as the Examiner did. *Id.* at 2–3, 13, 18–19 (citing Pet. 85–86; Ex. 1002, 132–133); *id.* at 14–15 (quoting the Examiner’s findings concerning Miltenberger); *id.* at 16–17 (citing Ex. 1004, 6:25–29; Ex. 1057 ¶¶ 8, 41, 67, 82, 122–123, 101). Patent Owner additionally asserts Bryson and Miltenberger have the same “authentication challenge” deficiencies in relation to the '498 patent claims. *Id.* at 17–18 (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 prosecution of the '498 patent. *See* Pet. 84–87. Petitioner asserts three of the five references cited in the Petition (Amaitis, Bryson, and Schlottmann) “are entirely new references that were not cited or considered during prosecution of the '498 Patent.” *Id.* at 84; *see also id.* at 86 (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 a 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 84 (citing Ex. 1002, 25, 77–91, 129–142, 200–212).

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 85 (citing Ex. 1004, 7:9–16, 7:49–53, 8:24–39). Petitioner asserts the applicant “relied on this as the sole distinguishing factor from” Miltenberger. *Id.* (citing Ex. 1002, 57³). 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 references.’” *Id.* at 85 n.7. Petitioner asserts Miltenberger does not “disclose presenting only legal gaming options to a user based on player or device location as disclosed in Bryson.” *Id.* at 85–86 & n.7 (citing Ex. 1002, 57; Ex. 1004, 8:24–29).

³ The Petition cites pages 242–243 of Exhibit 1002 here, but that is clearly a citation error. The quotation snippets in the Petition are found on page 57.

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. 2, 14; 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, automatically creating a list of player gaming options based on the current location of the player and limiting the list to legal gaming options in the current location. *See, e.g.,* Pet. 85 n.7. 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. 1002, 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. 15–17), 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 '498 patent.

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

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 '498 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 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).

B. Person of Ordinary Skill in the Art

Petitioner contends a person having ordinary skill in the art pertaining to the '498 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. 19 (citing Ex. 1003 ¶ 46). Further: “A person with less education but more relevant practical experience may also meet this standard.” *Id.*

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. 22 n.2 (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 '498 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.

C. Claim Construction

We interpret the '498 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 ’498 patent claims in the Petition. *See* Prelim. Resp. 69–71. Patent Owner correctly points out that the Petition does not articulate the claim construction standard being applied. *See id.* at 69 (citing Pet. 19). 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 69–71 (citing Ex. 1003 ¶ 144).

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, 144. He also testifies that “the prior art discussed [in his declaration] discloses the Challenged Claims *under any reasonable interpretation.*” *Id.* ¶ 144 (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. *Claim 1 — “collecting a selection of player gaming options from the player, wherein the selection of player gaming options includes a betting range”*

Patent Owner seeks to distinguish Amaitis’s disclosure from claim 1 with respect to collecting a selection of player gaming options including a betting range. *See* Prelim. Resp. 24–25, 47–49. This argument raises two claim construction issues, which we address here.

a) Meaning of “betting range”

Patent Owner argues Amaitis teaches “setting minimums and maximums” but “not setting betting ranges” as recited in claim 1, because “[s]etting limits is not selecting a betting range.” Prelim. Resp. 24–25, 47–49 (citing Ex. 2001 ¶¶ 76–77). In support, Patent Owner cites Figure 3 of the ’498 patent as “allow[ing] players to select certain table or tournament stakes, *e.g.*, \$5/\$10 no limit poker,” thereby demonstrating that the claimed “betting range” must correspond to particular stakes rather than minimum and maximum bets. *Id.* at 25, 47. Patent Owner further points out that claim 1 previously recites “the legal gaming options *include limits on waging amounts*” (Ex. 1001, 15:59–60 (emphasis added)) in support of contending that Amaitis’s minimum and maximum bets cannot correspond to the later-recited “betting range” (*id.* at 16:1–2). Prelim. Resp. 49.

Based on the present record, we disagree with Patent Owner’s claim construction. The ’498 patent indicates “a player who is willing to risk less could select a lower *betting range* such as \$5–\$50” or conversely “a player who is only interested in playing for larger amounts could select a higher *betting range* such as \$200–500.” Ex. 1001, 11:7–14 (emphases added). Further: “[A] betting range could be single value rather than a range of

values (e.g., players willing to bet \$10, players willing to bet \$20, etc.).” *Id.* at 11:14–19. These disclosures indicate the claim term “betting range” may, in some embodiments, correspond to a minimum bet amount and a maximum bet amount that may be wagered in the game. The term is not limited to a particular stake amount required for each bet, as Patent Owner’s argument suggests.

This is not inconsistent with claim 1’s recitation of both “the *legal* gaming options *include limits on waging amounts*” and “the *selection* of player gaming options *includes a betting range*.” Ex. 1001, 15:59–60, 16:1–2 (emphases added). The former “limits” correspond to legal jurisdictional requirements. The latter “range” corresponds to a player’s selection of betting parameters for a particular game, which can vary within the constraints set by the former. These are different variables.

We determine, based on the present record, that the claim term “betting range” may correspond to minimum and maximum bet amounts that may be wagered in a game.

b) Whether the Betting Range Must be Part of the Gaming Options Automatically Created by the Administration Server and Displayed to the Player

Patent Owner argues claim 1 requires that the player’s selection of a betting range must be made from “gaming options [that] are ‘automatically created at an administration server.’” Prelim. Resp. 48–49 (citing Ex. 1001, 15:53–55 (limitation 1[b]), 15:63–65 (limitation 1[e]), 15:66–16:2 (limitation 1[f])). “In other words, the betting range must be created and displayed to player” by the administration server, “for the player to select and play.” *Id.* at 49.

Based on the present record, we disagree with Patent Owner's claim construction. The pertinent limitations of claim 1 recite:

- [pre] 1. A computer-server-based method for peer-to-peer gaming, comprising:
 - [a] creating a list of player gaming options for a player in a current location,
 - [b] wherein the list of player gaming options is automatically created at an administration server based on the current location of the player,
 - ...
 - [e] presenting a player with the list of player gaming options, wherein the list of player gaming options is presented to the player at a player gaming client;
 - [f] collecting a selection of player gaming options from the player,
- wherein the selection of player gaming options includes a betting range;

Ex. 1001, 15:49–16:2.

This language does not require the “collecting” of gaming options in limitation 1[f] to be limited to the list of gaming options automatically created and presented in limitations 1[a], 1[b], and 1[e]. In particular, the gaming options “creat[ed]” in limitation 1[a] are specified in limitations 1[b] through 1[d], as indicated by the indentation of the latter limitations below limitation 1[a]. *See* Ex. 1001, 15:51–62. The player betting range of limitation 1[f] is not included in limitations 1[b] through 1[d]. *See id.* Patent Owner's claim construction would in effect construe limitation 1[f] to recite “collecting a selection of the player gaming options from the player,” but it does not.

Turning to the '498 patent specification, it discloses that “[b]etting ranges could be pre-selected options by the system, in which case, a player will select a betting range.” Ex. 1001, 10:24–27. Patent Owner’s proffered claim construction would limit claim 1 to that embodiment. However, the specification continues to provide that “[i]n the alternative, a player could be allowed to select his or her acceptable betting ranges.” *Id.* at 10:27–29. Patent Owner’s proffered claim construction would exclude that alternative embodiment. For the reasons provided above, the claim language does not support Patent Owner’s construction.

We determine, based on the present record, that claim 1 does not require the betting range to be created by the administration server and displayed to the player for selection.

2. *Claims 17–20 — “Module” Limitations*

Petitioner addresses the claim construction of several “module” limitations found in claims 17–20, including “gaming option collection module” (claim 17), “matching engine module” (claim 17), “game administration module” (claims 17 and 18), “results calculation module” (claim 17), “gaming option creation module” (claims 18 and 20), “tournament administration module” (claims 18 and 19), “payment initiation module” (claim 18), and “risk management module” (claim 18). *See* Pet. 19–22. Petitioner refers to these limitations as the “Module Terms.” *Id.* at 19.⁵

⁵ The Petition at page 19 identifies only four of these limitations as the Module Terms. However, pages 19–22 together as a whole refer to all of these limitations as the Module Terms.

Petitioner asserts the Module Terms are recited as being “‘configured to’ perform certain recited functionality, without reciting sufficient structure for performing those functions.” *Id.* 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 “identifying 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 ’498 patent “Specification.” *Id.* at 19–21. Petitioner argues the specification “shows a ‘server’ (i.e., administration server) as including all of the above recited 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 21–22 (citing Ex. 1001, Fig. 1, 5:32–55; Ex. 1003 ¶ 147).

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. 6, 22–23, 56–62. Rule 42.100(b), discussed above, pertinently provides that we will interpret the ’498 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. 57–58, 62 (citing Pet. 19–22; *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 “broad table form” 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 58–61 (citing Pet. 20–21; *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 17–20 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. 61–62 (citations omitted). This is “[d]ue to the high level of undue speculation” allegedly engendered as to claims 17–20, 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. 19); identifies the claimed functions

(*see id.* at 19–21, “Claimed Function” column); identifies where the ’498 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 21–22). 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. 19–22.

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 identifies structure and generic functions.” Prelim. Resp. 62 (emphasis added) (citing Pet. 20–22); *id.* at 62–65 (discussion of case law).

Patent Owner also proffers one express construction of its own, for the term “gaming option collection module” in claim 17. *See* Prelim. Resp. 22–23, 65–68.

We do not need to address these arguments at the present time. At best for Patent Owner, they might lead to four dependent claims of the ’498 patent (claims 17–20) surviving the present proceeding. They do not affect the patentability of the other sixteen claims at issue in the present proceeding, including all three independent claims (claims 1, 12, and 13). *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.

3. *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)).

D. *Ground One — Obviousness over Amaitis and Bryson*

In Ground One, Petitioner argues and Mr. Nicely testifies that claims 1 and 4–17 of the ’498 patent are unpatentable as having been obvious over Amaitis and Bryson. *See* Pet. 13, 22–26, 27–66; Ex. 1003 ¶¶ 151–165, 172–271. Patent Owner and Dr. Lane disagree. *See* Prelim. Resp. 9–12, 23–53; Ex. 2001 ¶¶ 27–57, 67–77. 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 1. We begin our analysis with brief summaries of Amaitis and Bryson. Then we address the parties’ contentions.

I. *Amaitis*

Amaitis provides a gaming system incorporating a wireless network to permit users to participate in games, including casino-type gambling games, using a mobile communication device. *See* Ex. 1005 ¶¶ 1–3, 22. This includes peer-to-peer gaming, in which multiple users interactively compete in the same gaming activity at the same time from disparate locations using

remote gaming devices, such as cell phones or PDAs. *Id.* ¶¶ 8, 24. Figure 9 is reproduced below.

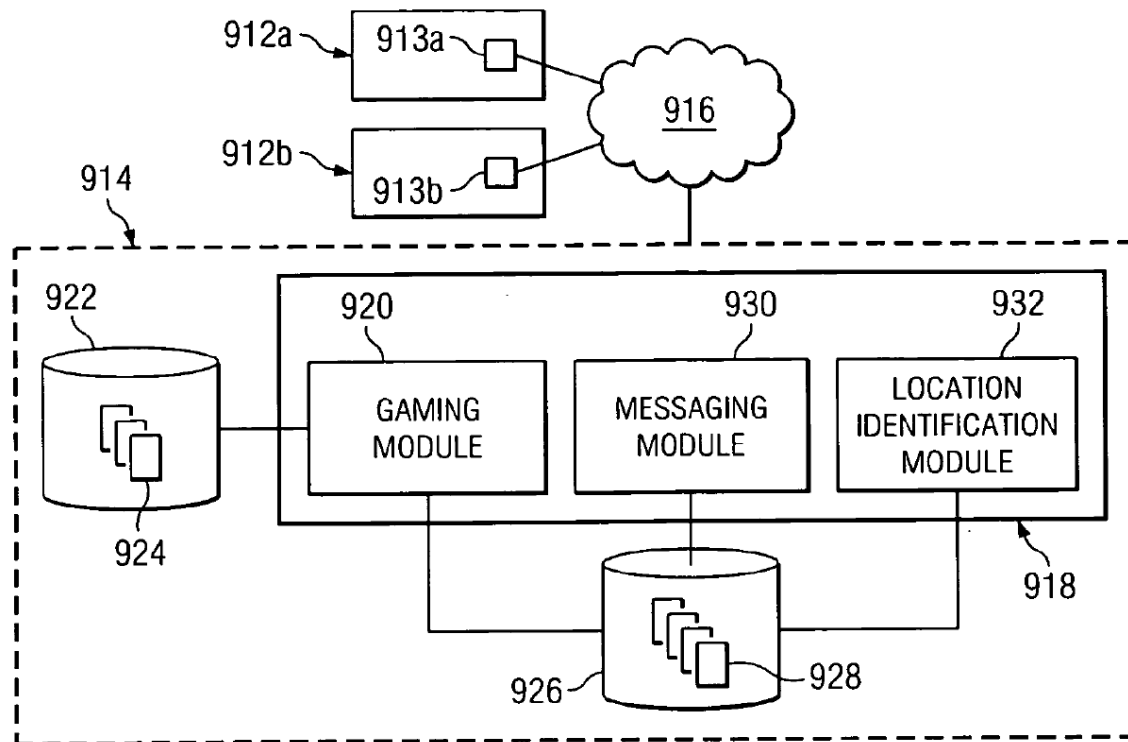


FIG. 9
Amaitis Figure 9.

Figure 9 illustrates peer-to-peer gaming system 910 accessed by users 912a and 912b by way of respective mobile gaming devices 913a and 913b. *See id.* ¶ 31. Gaming devices 913 utilize data network 916 to transmit and receive gaming information to and from gaming service provider 914 so that users 912 may participate interactively in a single gaming activity. *See id.* ¶¶ 31–32.

Gaming service provider 914 includes processor 918 which has gaming module 920 that operates as a gaming server for gaming devices 913 to participate in games, using database 922 of gaming applications 924. *See id.* ¶¶ 34–36. Each user 912 may enter various parameters corresponding to

gaming characteristics that interest the user, such as betting minimums or limits, and gaming module 920 uses these parameters as search criteria to identify a menu of gaming activities to be displayed to the user for selection. *See id.* ¶ 47. Gaming module 920 may store these user-specified gaming characteristics and other data concerning the user in database 926 of customer profiles 928. *Id.* ¶¶ 48–49. Gaming module 920 may “identify additional players that may be willing to play with a first user 912a” by querying the data in customer profiles 928 to identify a second user 912b who might be “interested in . . . games of the type initiated by” first user 912a, and “send an invite to second user 912b that invites second user 912b to join in the gaming activity.” *Id.* ¶ 50.

When users 912a and 912b are gambling from remote locations utilizing data network 916, “the system has a location verification or determination feature, which is operable to permit or disallow gaming from the remote location depending upon whether or not the location meets one or more criteria.” *Id.* ¶¶ 23, 91. For example, “only gaming devices 913 located within a jurisdiction allowing casino-style gaming may be enabled for casino-style gaming activities,” and “only gaming devices 913 located within a jurisdiction allowing sports wagering or pari-mutuel betting may be enabled for these types of activities.” *Id.* ¶¶ 33, 68. To implement this feature, processor 918 may include location identification module 932 “to identify gaming services that may be made accessible to users 912 based on the location of their respective gaming devices 913.” *Id.* ¶ 56. For example, “where applicable state and federal law and/or regulations prohibit gaming activity at a user’s location, location information associated with the user’s gaming device 913 may be used to limit the gaming services available to the

user 912.” *Id.*; *see also id.* ¶ 23 (indicating location verification may be used to determine “whether the location is within a pre-defined area in which gaming is permitted by law”).

Location verification may also be used modify various aspects of the gaming experience provided by gaming service provider 914. *See id.* ¶ 23 (“the type of network topology”), ¶ 41 (whether “double gaming” is provided), ¶ 53 (“distinguishing between permissible and impermissible communications”), ¶ 59 (enforcing a “minimum distance requirement” maintained between mobile users 912).

2. *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.

3. *Independent Claim 1*

a) *1[pre]* — “A computer-server-based method for peer-to-peer gaming, comprising:”

Petitioner contends that, to the extent the preamble of claim 1 is limiting, Amaitis discloses a computer-server-based method for peer-to-peer gaming. *See* Pet. 31–32 (citing Ex. 1005, Fig. 9, ¶¶ 5, 20, 27, 34; Ex. 1003 ¶¶ 184–185). This contention, which Patent Owner does not oppose, is sufficiently supported by the evidence of record to justify institution of review. In particular, Amaitis describes how gaming service provider 914 employs gaming module 920 to provide “peer-to-peer gaming” between two users 912a and 912b by way of respective gaming devices 913a and 913b via data network 916, allowing the users “to interactively participate in a single gaming activity.” Ex. 1005 ¶ 5; *see id.* at Fig. 9, ¶¶ 31, 34.

b) 1[a] — “creating a list of player gaming options for a player in a current location”

Petitioner contends Amaitis discloses creating a list of player gaming options for a player in a current location. *See* Pet. 32–35 (citing Ex. 1005, Fig. 9, ¶¶ 2, 41, 46–50, 56, 102; Ex. 1001, 8:63–66; Ex. 1003 ¶¶ 186–192). This contention, which Patent Owner does not oppose, is sufficiently supported by the evidence of record to justify institution of review. In particular, Amaitis indicates gaming service provider 914 permits users 912 to participate in a variety of gaming activities, such as slot machine games, blackjack, poker, and sports wagering. *See* Ex. 1005 ¶¶ 2, 46. Provider 914 “provide[s] assistance to a user 912 in finding a particular activity in which the user 912 wishes to participate.” *Id.* ¶ 46. Thus, each user 912 may enter various parameters corresponding to gaming characteristics that interest the user, such as betting minimums or limits, and gaming module 920 uses these parameters as search criteria to identify a menu of gaming activities to be displayed to the user for selection. *See id.* ¶¶ 47–48, 102. Amaitis further provides that gaming service provider 14 may determine the current location of gaming devices 913, “to identify gaming services that may be made accessible” on the devices as provided by “applicable state and federal law and/or regulations.” *Id.* ¶ 56.

c) 1[b] — “wherein the list of player gaming options is automatically created at an administration server based on the current location of the player”

Petitioner contends Amaitis discloses that its list of player gaming options is automatically created at an administration server, and Amaitis also “recognizes the importance of determining player location, particularly in

the context of ‘peer-to-peer gaming between multiple users at disparate locations.’” Pet. 35 (quoting Ex. 1005 ¶ 8) (citing Ex. 1005 ¶¶ 47, 102; Ex. 1003 ¶ 193). Petitioner asserts Amaitis “restrict[s] user *access* to games based on the user’s location in compliance with jurisdictional regulations,” but “Amaitis does not expressly disclose creating a list of player gaming options *based on* the current location of a player.” *Id.* at 28, 30, 35 (citing Ex. 1005 ¶¶ 22, 33; Ex. 1003 ¶¶ 177, 181, 193).

Petitioner then argues Bryson discloses an administration server that automatically creates a list of player gaming options based on the current location of a player. *See* Pet. 28–29, 30, 35–36 (citing Ex. 1004, 1:11–36, 5:40–47, 6:11–13, 6:30–39, 7:9–16, 7:49–67, 8:24–39, 8:57–60, 23:4–8; Ex. 1003 ¶¶ 178, 181, 193–196). Petitioner contends Bryson particularly “teaches first creating a list of gaming options according to a player community and [then] removing options from the list *based on the player’s location*.” *Id.* at 36 (citing Ex. 1004, 5:40–47, 8:31–39; Ex. 1003 ¶¶ 195–196); *id.* at 29 (citing Ex. 1004, 7:49–67, 8:24–25, 8:57–60; Ex. 1003 ¶ 178).

Petitioner asserts Bryson also “provides an express motivation to combine with Amaitis,” so Amaitis will create its list of player gaming options based on the current location of a player like Bryson does. Pet. 35–36 (citing Ex. 1003 ¶ 198). In particular, according to Petitioner, “Bryson teaches that doing [this] will ‘provide more versatile and exciting’ gaming experiences and thereby ‘attract and retain players,’ while also ensuring compliance with jurisdictional regulations.” *Id.* at 29, 31, 36, 37–38 (citing Ex. 1004, 1:26–45, 5:40–47, 23:4–18; Ex. 1005 ¶¶ 23–25, 33, 97; Ex. 1003 ¶¶ 179, 183, 194, 198). In the latter regard, Petitioner asserts Bryson “teaches customizing gaming options based on location on an

‘ongoing basis’ as a player moves about,” thereby providing “the predictable results of creating a more ‘exciting’ and ‘innovative’ gaming experience that would ‘increase player patronage and profits.’” *Id.* at 29–30 (quoting Ex. 1004, 1:11–29, 8:30–39) (citing Ex. 1003 ¶ 179). Petitioner finds further motivation in the need “to prevent selection of illegal gaming options ‘where the parameters of the gaming application [] or applicable state and federal laws and/or regulations do not allow’ providing games with such options where the player is located.” *Id.* at 30 (quoting Ex. 1005 ¶ 41) (citing Ex. 1003 ¶ 182).

Patent Owner raises three arguments in opposition to the foregoing contentions, which we consider in turn.

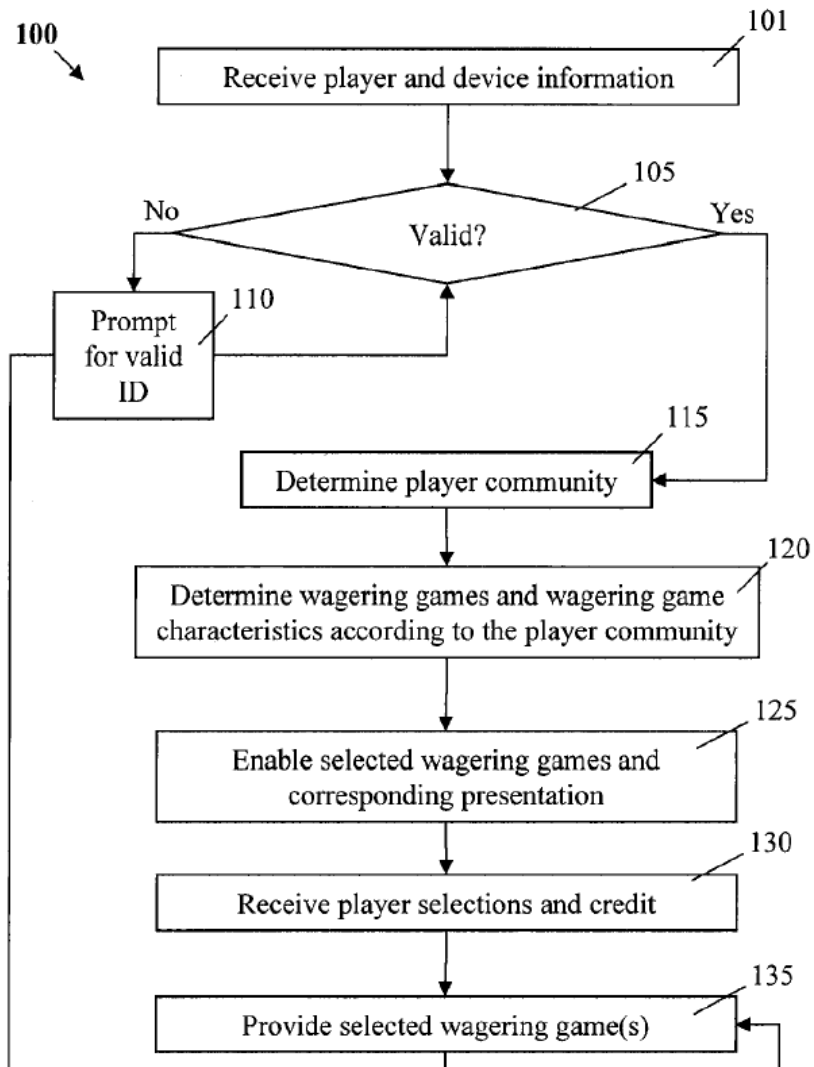
(i) *Bryson’s Disclosure: Creating a List of Gaming Options Based On Current Location of Player*

Patent Owner argues Petitioner erroneously relies on Bryson as disclosing creating a list of player gaming options based on the current location of the player. *See* Prelim Resp. 23–46 (citing Ex. 2001 ¶¶ 28, 31–57, 67–76). Patent Owner points out that Petitioner has two burdens, firstly “to properly identify evidence with particularity under 35 U.S.C. § 312(a)(3),” and secondly “to make a threshold showing under 35 U.S.C. § 314.” Prelim. Resp. 24, 25–26, 34, 38, 43–44. Patent Owner asserts neither burden has been met here. *See id.*

We conclude the Petition easily satisfies the first burden. The Petition provides extensive analyses of Amaitis (Exhibit 1005) and Bryson (Exhibit 1004) in the context of claim 1, including detailed citations to Amaitis, Bryson, and related declaration testimony of Petitioner’s witness Mr. Nicely (Exhibit 1003). *See* Pet. 22–26, 27–46. 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.

We conclude, based on the present record, that Petitioner's reliance on Bryson, as disclosing the creation of a list of player gaming options based on the player's current location, is sufficiently supported by the evidence of record to justify institution of review. Patent Owner's argument in this regard focuses on the first few steps illustrated in Bryson's Figure 1, reproduced 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. Patent Owner focuses on steps 101, 105, 115, 120, and 125 excerpted above. We have additionally included steps 130 and 135, because we discuss them below.

In step 101, as described in Bryson, player and device information is received by Bryson's administration server. *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 administration server] to identify the corresponding jurisdiction and to comply with the regulations of that jurisdiction.” *Id.* In step 105, as described in Bryson, the administration server determines 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.

Patent Owner argues Bryson's steps 101 and 105 “authenticat[e] a user (while using [the player's current] location to ensure jurisdictional compliance.” Prelim. Resp. 23; *see also id.* at 26 (“During log-in, a location check occurs to ensure jurisdictional compliance.”). Patent Owner then points out that Bryson's steps 101 and 105 do not involve creating a list of player gaming options. *See id.* at 23–24. Based on the present record, we agree with Patent Owner's understanding of Bryson's steps 101 and 105 in these regards.

In step 115, as described in Bryson, “the player's community is determined” by Bryson's administration server, 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.

Patent Owner argues the Petition mischaracterizes Bryson’s steps 115 and 120 as involving “first creating a list of gaming options according to a player community and removing options from the list based on the player’s location.” Prelim. Resp. 23, 26 (quoting Pet. 36, omitting Petitioner’s italicized emphasis on “*based on the player’s location*”). Patent Owner asserts Bryson’s steps 115 and 120 simply “assign[] a player to a community, where the community had already been pre-set by a casino operator.” *Id.* at 23–24, 28, 29–31 (citing Ex. 1004, 1:11–45, 5:40–47; Ex. 2001 ¶¶ 31–57); *see also id.* at 31, 44–45 (discussing various disclosures relating to Bryson’s Figs. 3–5). In Patent Owner’s view, Bryson’s steps 115 and 120 create a list of gaming options based on the pre-set player communities, and *not* based on the player’s location as recited in claim 1. *See id.* at 24, 34–38, 39–43, 44 (citing Ex. 1004, 5:55–63, 6:11–14, 6:25–39, 7:9–16, 7:49–61, 8:24–39; Ex. 2001 ¶¶ 31–57, 71–74).

Patent Owner asserts “these communities are created by a casino operator, and stored in a database, well-before the user’s location can even be known” from Bryson’s steps 101 and 105. *Id.* at 24, 26–27, 34–37, 44 (citing Ex. 1004, 5:55–63, 6:25–39, 7:9–16; Ex. 2001 ¶¶ 32–45, 67–74). Further according to Patent Owner, Bryson’s player communities are created

based on the players “having like-characteristics / preferences,” and are not assigned based on player location. *Id.* at 27, 28–29, 32–33, 34–35, 46 (citing Ex. 1004, code (57), 1:33–45, 2:31–37, 5:40–47, 6:11–13, 6:25–39, 7:53–56, 8:11–17, 14:35–46; Ex. 2001 ¶¶ 32–45, 55). Thus, Patent Owner concludes the Petition improperly “conflates” Bryson’s authentication process which includes a location check (steps 101 and 105) with Bryson’s player community determination and presentation of gaming options which are not based on location (steps 115 and 120). *Id.* at 33, 36, 37–38.

Based on the present record, we conclude Patent Owner’s and Dr. Lane’s reading of Bryson’s disclosure is too narrow. In particular, Bryson indicates 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.” Ex. 1004, 5:45–47. This disclosure plainly contemplates that the central system (i.e., Bryson’s administration server) provides wagering games according to the player’s community *and* the player’s location, as separate and cumulative considerations.

Further, in step 125 of Figure 1, “[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 reinforces Bryson’s earlier disclosure (*id.* at 5:45–47) in contemplating that the administration server provides wagering games according to the player’s community *and* the player device’s location, as separate and cumulative considerations. It further 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 it plainly refers to the player device’s location being used in the presentation of player gaming options in step 125. *See, e.g.*, Prelim. Resp. 32–33 (discussing Ex. 1004, 5:40–47); *id.* at 38–42 (discussing Ex. 1004, 7:49–61; citing Ex. 2001 ¶¶ 47–55, 71–74).

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. Again, this 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. *See* Prelim. Resp. 42–43 (discussing Ex. 1004, 8:24–39; citing Ex. 2001 ¶¶ 47–54).

We conclude the foregoing disclosures of Bryson sufficiently support Petitioner’s contentions, and Mr. Nicely’s testimony in support, to justify institution of review.

(ii) *Bryson’s Disclosure: Administration Server that Automatically Creates the List of Gaming Options*

Patent Owner also argues that Bryson’s creation of player communities by the casino operator prior to any particular player being assigned to a community, is different from the claimed *administration server* that *automatically creates* a list of player gaming options based on the player’s current location. *See* Prelim. Resp. 44–46 (citing Ex. 1004, Figs. 3–5, 9:33–53; Ex. 2001 ¶¶ 44–45, 75). In particular, according Patent Owner, Bryson’s process “is very different from” claim 1 of the ’498 patent, which “considers all-games and provides more dynamic options,” because “any concept of a dynamic list presentation in Bryson is not present.” *Id.* at 45–46 (citing Ex. 1001, Fig. 3, 1:26–31, 8:64–9:8).

We disagree, for essentially the same reasons discussed above in Section IV.D.3(c)(i). In particular, Bryson contemplates a “central system” (i.e., an administration 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 administration 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.*

(iii) *Motivation to Combine Amaitis and Bryson*

Patent Owner finally argues that Ground One “fail[s] because there is no motivation to combine Amaitis and Bryson.” Prelim. Resp. 25, 53. Patent Owner asserts a person of ordinary skill in the art “would not look to Bryson to add overlapping and redundant location-based features to Amaitis.” *Id.* at 53. Patent Owner additionally asserts a person of ordinary skill in the art “would not have looked to peer-to-peer references like Amaitis for peer-to-peer features in view of Bryson,” because “Bryson teaches casino gaming, where a peer-to-peer aspect would allow cheating.” *Id.* (citing Ex. 2001 ¶ 30).

We conclude Petitioner’s contentions regarding the motivations that would have led a person of ordinary skill in the art to modify Amaitis’s gaming administration server, so that it will automatically create its list of player gaming options based on the current location of a player like Bryson’s gaming administration server, are sufficiently articulated and supported by the evidence of record to justify institution of review. *See* Pet. 28–31, 35–38 (summarized above in Section IV.D.3(c) (introduction)).

Particularly concerning Patent Owner’s opposition, based on the present record, it does not appear that Amaitis’s gaming administration server automatically creates its list of player gaming options based on the current location of a player. Therefore, this is not an overlapping and redundant location-based feature between Amaitis and Bryson, as Patent Owner suggests it to be.

Further, Petitioner relies on Amaitis (not Bryson) as disclosing a peer-to-peer gaming system. *See supra* Section IV.D.3(a) (discussing the preamble of claim 1). Thus, Petitioner does not propose modifying Bryson

to provide peer-to-peer gaming, as Patent Owner would have it. 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).

d) 1[c] — “wherein the list of player gaming options is limited to legal gaming options in the current location of the player”

Petitioner contends “the combination of Amaitis and Bryson teaches creating a custom list of games based on the location of the player in compliance with the legal requirements of the player’s jurisdiction,” and Bryson teaches “limiting the ‘presentation’ of gaming options” according to those legal requirements. Pet. 38 (citing Ex. 1004, 8:24–29, 23:4–8; Ex. 1003 ¶ 199). Petitioner also relies on the Petition’s previous obviousness analysis, discussed above in Section IV.D.3(c), in relation to this claim limitation. *See id.* (“As discussed above in § IX.B.2(c) . . .”).

To the extent Patent Owner opposes these contentions, we have considered the opposition above in Section IV.D.3(c). Further, we conclude Petitioner’s contentions as to limitation 1[c] are sufficiently supported by the evidence of record to justify institution of review.

e) 1[d] — “*wherein the legal gaming options include limits on wagering amounts or types of games to prevent the player from unlawful play in the current location of the player*”

Petitioner contends “Amaitis teaches controlling *access* to the types of gaming activities permitted in the player’s jurisdiction,” and “Bryson teaches compliance with these and other similar laws through a location-specific restriction on the *gaming options* presented to players” including “*types of games*” and “*wagering rules*” such as “[w]agering *limits*,” as established by each gaming jurisdiction. Pet. 38–39 (citing Ex. 1004, 8:24–29, 23:4–8; Ex. 1005 ¶ 33; Ex. 1003 ¶¶ 201–202). Petitioner also relies on the Petition’s previous obviousness analysis, discussed above in Section IV.D.3(c), in relation to this claim limitation. *See id.* at 39 (citing Ex. 1003 ¶ 203).

To the extent Patent Owner opposes these contentions, we have considered the opposition above in Section IV.D.3(c). Further, we conclude Petitioner’s contentions as to limitation 1[d] are sufficiently supported by the evidence of record to justify institution of review. In particular, Amaitis and Bryson both recognize the need to limit the player’s options for *types* of games to be played to games permitted to be played by the local jurisdiction of the player’s gaming device location. *See* Ex. 1005 ¶ 33 (stating “only gaming devices 913 located within a jurisdiction allowing *casino-style gaming* may be enabled for casino-style gaming activities” and “only gaming devices 913 located within a jurisdiction allowing *sports wagering* or *pari-mutuel betting* may be enabled for these types of activities” (emphases added)); Ex. 1004, 8:24–27 (stating “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” (emphasis added)), 23:4–8 (stating “jurisdictional rules, such as . . . *types of games that can be played* and wagering rules that are established by a gaming jurisdiction may need to be enforced” (emphasis added)).

- f) 1[e] — “*presenting a player with the list of player gaming options, wherein the list of player gaming options is presented to the player at a player gaming client*”

Petitioner contends Amaitis discloses or at least suggests presenting a player with the list of player gaming options, at a player gaming client. *See* Pet. 39–40 & n.5 (citing Ex. 1005, Figs. 6 and 9, ¶¶ 34, 47, 75, 100, 102, 110; Ex. 1003 ¶¶ 204–205). This contention, which Patent Owner does not oppose, is sufficiently supported by the evidence of record to justify institution of review. In particular, Amaitis describes how gaming module 920 provides gaming services on gaming devices 913 of users 912, and “identif[ies] a menu of gaming activities that may be . . . offered” to each user 912. Ex. 1005 ¶¶ 34, 47; *id.* ¶ 102 (“[T]he gaming environment may comprise a casino lobby where the user is presented with certain gaming options including, for example, table games, slots, . . .”).

- g) 1[f] — “*collecting a selection of player gaming options from the player, wherein the selection of player gaming options includes a betting range*”

Petitioner contends Amaitis discloses collecting a selection of player gaming options from the player, wherein the selection includes a betting range. *See* Pet. 40–42 (citing Ex. 1005, Fig. 6, ¶¶ 47, 102–103; Ex. 1001, 11:15–19; Ex. 1003 ¶¶ 206–207). In particular, according to Petitioner, Amaitis permits each player to select particular games to play, as well as

“particular betting minimums or limits.” *Id.* at 40–41 (quoting Ex. 1005 ¶ 47) (citing Ex. 1003 ¶ 207). Petitioner asserts “Amaitis’s ‘betting minimums or limits’ disclose the claimed ‘betting ranges’” of claim 1. *Id.* at 41–42 (citing Ex. 1003 ¶ 207; Ex. 1001, 11:15–19).

Patent Owner objects that Amaitis teaches “setting minimums and maximums” but “not setting betting ranges” as recited in claim 1, because “[s]etting limits is not selecting a betting range.” Prelim. Resp. 24–25, 47–49 (citing Ex. 2001 ¶¶ 76–77). This position rests upon a claim construction that we have rejected above. *See supra* Section IV.C.1(a). We have preliminarily determined that the term “betting range” may correspond to minimum and maximum bet amounts that may be wagered in a game. *See id.* Amaitis correspondingly discloses “[u]ser-parameters may also specify particular betting minimums or limits that the user 912 would like to play.” Ex. 1005 ¶ 47. Therefore, based on the present record, we conclude Petitioner’s reliance on Amaitis as disclosing player selection of a betting range is sufficiently supported by the evidence of record to justify institution of review.

Patent Owner also seeks to distinguish Amaitis from claim 1 on the basis that Amaitis’s betting range is “entered by the player, and not part of options displayed to the player for selection.” Prelim. Resp. 48–49. This position rests upon a claim construction that we have rejected above. *See supra* Section IV.C.1(b). We have preliminarily determined that claim 1 does not require the betting range to be created by the administration server and displayed to the player for selection. *See id.* Thus, based on the present record, Patent Owner’s argument seeking to distinguish Amaitis from claim 1 on this basis is not persuasive.

h) 1[g] — “determining a game type that the player selected, wherein the game type is based on the selection of player gaming options”

Petitioner contends Amaitis discloses determining a game type that the player selected, wherein the game type is based on the selection of player gaming options. *See* Pet. 42 (citing Ex. 1005 ¶¶ 46–50, 102; Ex. 1003 ¶ 208). This contention, which Patent Owner does not oppose, is sufficiently supported by the evidence of record to justify institution of review. In particular, Amaitis discloses that gaming service provider 914 determines a game type via “a user 912 [entering] one or more user-parameters corresponding to gaming characteristics in which the user 912 is interested.” Ex. 1005, Fig. 9, ¶¶ 46–47, 102–103.

i) 1[h] — “matching the player with an at least one competitor, wherein matching the player with the at least one competitor is based at least in part on the betting range, and wherein matching the player with the at least one competitor is performed by the administration server”

Petitioner contends Amaitis discloses matching the player with a competitor, based at least in part on the betting range, wherein the matching is performed by the administration server. *See* Pet. 42–43 (citing Ex. 1005 ¶¶ 34, 47, 50; Ex. 1003 ¶¶ 209–210). According to Petitioner, “Amaitis discloses matching players based on a selected betting range because Amaitis teaches that the ‘user-specified parameters’ which are used for competitor matching ‘may [] specify particular betting minimums or limits.’” Pet. 43 (quoting Ex. 1005 ¶ 47) (citing Ex. 1003 ¶ 210). Petitioner also cites Amaitis’s indication that “first user 912a may specify that the user only wishes to play with other high rollers” as part of Amaitis’s player matching process (Ex. 1005 ¶ 50), which Petitioner asserts a person of

ordinary skill in the art “would have understood to be another type of betting range.” Pet. 43 (citing Ex. 1003 ¶ 210).

Patent Owner objects that Amaitis fails to teach matching a player with a competitor based at least in part on a betting range. *See* Prelim. Resp. 24–25, 47–49 (citing Ex. 2001 ¶¶ 76–77). According to Patent Owner, “Amaitis make[s] clear that players can be matched with each other based on profile or category, *e.g.*, ‘other high rollers, other celebrities, or other senior citizens.’” *Id.* at 48 (quoting Ex. 1005 ¶ 50) (citing Ex. 1005 ¶ 47). Patent Owner asserts such player profile patching “is not ‘matching the player with the at least one competitor . . . based at least in part on the betting range,’ *e.g.*, by selecting a \$1/\$2 pot limit poker table to play with others using the same betting range.” *Id.* Patent Owner asserts Amaitis lacks “any teaching . . . that [Amaitis’s] profiles provide specific ranges to play.” *Id.*

We conclude, based on the present record, that Petitioner’s reliance on Amaitis, as disclosing matching the player with a competitor based at least in part on the betting range, is sufficiently supported by the evidence of record to justify institution of review. Amaitis correspondingly provides that “a user 912 may enter one or more user-parameters corresponding to gaming characteristics in which the user 912 is interested,” including “particular betting minimums or limits that the user 912 would like to play.” Ex. 1005, Fig. 9, ¶ 47. Then, gaming module 920 of gaming service provider 914 “use[s] these and other user-specified parameters as search criteria when identifying potential gaming activities that may be displayed to the user 912 on a gaming device 913.” *Id.* ¶ 47. Further, “[a]s an additional feature, gaming module 920 may query customer profiles 928 to identify additional

players that may be willing to play with a first user 912a,” such as “other high rollers.” *Id.* ¶ 50. Taken together, these disclosures indicate that gaming module 920 matches user 912 with potential competitors based on similar interests in the type of game to be played, as well as the betting range for placing wagers on the game.

j) *I[i]* — “collecting a bet from the player, wherein the bet is within the betting range identified in the selection of player gaming options”

Petitioner contends Amaitis discloses collecting a bet from the player, wherein the bet is within the betting range identified in the selection of player gaming options. *See* Pet. 43–44 (citing Ex. 1005 ¶¶ 50, 103, 110, 140; Ex. 1003 ¶¶ 211–212). This contention, which Patent Owner does not oppose, is sufficiently supported by the evidence of record to justify institution of review. *See, e.g.*, Ex. 1005 ¶¶ 47, 103, 110.

k) *I[j]* — “initiating a game for the player, wherein the game is based on the selection of player gaming options”

Petitioner contends Amaitis discloses initiating a game for the player, wherein the game is based on the selection of player gaming options. *See* Pet. 44 (citing Ex. 1005 ¶¶ 50, 72; Ex. 1003 ¶ 213). This contention, which Patent Owner does not oppose, is sufficiently supported by the evidence of record to justify institution of review. *See, e.g.*, Ex. 1005 ¶¶ 72–73.

l) *I[k]* — “collecting results of the game, wherein the results of the game are received at the administration server”

Petitioner contends Amaitis discloses collecting results of the game, wherein the results of the game are received at the administration server (e.g., gaming service provider 36 in Figure 3). *See* Pet. 44–45 (citing

Ex. 1005 ¶¶ 80, 104; Ex. 1003 ¶¶ 214–216). Petitioner further contends, “[t]o the extent that Amaitis does not disclose” *separate* administration and gaming servers, Bryson does so (e.g., player management servers 602, 603 and game outcome server 601 in Figure 6), and it would have been obvious to incorporate this feature into Amaitis to obtain “the benefits of expanding the list of available games and game options from the natively hosted applications of Amaitis.” *See id.* at 45–46 (citing Ex. 1004, 13:20–37, 13:43–50, 15:1–20, 15:61–16:2, 21:23–42; Ex. 1003 ¶¶ 216–217). These contentions, which Patent Owner does not oppose, are sufficiently supported by the evidence cited by Petitioner to justify institution of review.

m) 1[l] — “*compensating the player with player winnings, wherein the player winnings are based on the results of the game*”

Petitioner contends Amaitis discloses compensating the player with player winnings, based on the results of the game. *See* Pet. 46 (citing Ex. 1005 ¶¶ 104, 112; Ex. 1003 ¶ 218). This contention, which Patent Owner does not oppose, is sufficiently supported by the evidence of record to justify institution of review. *See, e.g.*, Ex. 1005 ¶¶ 104, 112.

n) *Claim As a Whole—Gaming Options Display*

Patent Owner finally argues Petitioner “fails to effectively address plainly-recited aspects relating to the list of” player gaming options displayed to the player. Prelim. Resp. 50. These options, according to Patent Owner, include “legal gaming options” (Ex. 1001, 15:56–58), “waging amounts or types of games” (*id.* at 15:59–60), and “a betting range” (*id.* at 15:66–16:2). Prelim. Resp. 50–51. Patent Owner asserts Petitioner

“critically fails to argue that any such full list of gaming options is created according to Bryson and Amaitis.”

We do not agree. As can be seen from the various discussions above, based on the present record, we conclude Petitioner has sufficiently addressed the combination of claim limitations to demonstrate a reasonable likelihood that Petitioner would prevail with respect to challenging claim 1.

o) Conclusion Regarding Claim 1

For the foregoing reasons, and based on the present record, we determine Petitioner has provided sufficient argument and evidence in relation to the proposed obviousness of claim 1 over Amaitis and Bryson to demonstrate a reasonable likelihood that Petitioner would prevail with respect to this challenge.

4. Independent Claims 12 and 13

Petitioner argues and Mr. Nicely testifies that independent claims 12 and 13 are unpatentable as having been obvious over Amaitis and Bryson. *See* Pet. 56–64; Ex. 1003 ¶¶ 243–259.

“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”), 5–6, 64. We “will not institute on fewer than all

⁶ Available at <https://www.uspto.gov/TrialPracticeGuideConsolidated>.

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 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 1, we must do the same for claims 12 and 13.

Further, Patent Owner presently relies solely on arguments we have already considered above in order to oppose Ground One in relation to claims 12 and 13, so there is nothing more for us to consider here. *See* Prelim. Resp. 52.

5. *Dependent Claim 17*

Petitioner argues and Mr. Nicely testifies that dependent claim 17 is unpatentable as having been obvious over Amaitis and Bryson. *See* Pet. 65–66; Ex. 1003 ¶¶ 264–271. Patent Owner’s only argument addressing claim 17 separately from its parent claim 13 is to rely on Patent Owner’s proffered claim construction of the term “gaming option collection module” in order to distinguish claim 17 from the prior art. *See* Prelim. Resp. 52. As discussed above in Section IV.C.2(b), we do not address Patent Owner’s proffered claim construction at the present time, so we likewise do not address whether the prior art discloses the claimed “gaming option collection module” applying that construction.

6. *Dependent Claims 4–11 and 14–16*

Petitioner argues and Mr. Nicely testifies that dependent claims 4–11 and 14–16 are unpatentable as having been obvious over Amaitis and Bryson. *See* Pet. 46–56, 64; Ex. 1003 ¶¶ 219–242, 260–263. As discussed

above in Section IV.D.4, 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 claim 1, so there is nothing more for us to consider here. *See* Prelim. Resp. 23–53.

E. Ground Two—Obviousness over Amaitis, Bryson, and Oberberger

In Ground Two, Petitioner argues and Mr. Nicely testifies that claims 1 and 4–17 of the ’498 patent are unpatentable as having been obvious over Amaitis, Bryson, and Oberberger. *See* Pet. 13, 66–71; Ex. 1003 ¶¶ 272–283. Patent Owner and Dr. Lane disagree. *See* Prelim. Resp. 53–56; Ex. 2001 ¶ 77. 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 1. We begin our analysis with a brief summary of Oberberger. Then we address the parties’ contentions.

1. Oberberger

Oberberger provides a gaming system that provides player-selectable wagering control features in multi-player wagering games. *See* Ex. 1009, codes (54) and (57). Each player may use a mobile device to access a central controller wirelessly, and “the central controller matches players to compete against one another based at least in part on the risk modes selected by the players.” *Id.* ¶¶ 10, 43. “[I]n addition to compatible risk mode selections, players may be matched based on” “compatible selections of wager level” “such as a minimum bet amount or a maximum allowable bet”; “compatible selections of the type of wagering game the players wish to play”; “player status”; “any other suitable criteria”; or “any combination of

these.” *Id.* ¶¶ 10, 108. According to Oberberger, this matching process “provide[s] wagering games that appeal to a wide range of players having disparate backgrounds, skills, and interest levels, as well as different bankroll sizes.” *Id.* ¶¶ 6–7.

2. Claim 1

Ground Two relies on Ground One (*see supra* Section III.D), and adds additional argument to consider in the event Amaitis is found not to “disclose or suggest the limitations involving matching players for gaming based on a selected ‘betting range’ as recited in” claim 1. Pet. 67; Ex. 1003 ¶ 272.

Petitioner contends a person of ordinary skill in the art would have been motivated to modify the gaming method of Amaitis and Bryson, in light of Oberberger, to match prospective players based on selected betting ranges such as a minimum or maximum allowable bet. *See* Pet. 67–70 (citing Ex. 1005 ¶¶ 47, 50; Ex. 1004, 1:21–24, 8:21; Ex. 1009 ¶¶ 6, 7, 8, 10, 108, 109; Ex. 1003 ¶¶ 273–281). Petitioner asserts this would have been done “in order to attract a ‘wide range of players having disparate backgrounds, skills, and interest levels, as well as different bankroll sizes’ which a POSITA would understand would increase ‘player patronage’ as taught by Bryson.” *Id.* at 68 (quoting Ex. 1009 ¶ 7) (citing Ex. 1003 ¶ 275). It would also, according to Petitioner, “‘avoid situations where players are betting more than they wish to risk and [will] enable players to continue playing a game when they otherwise may have folded,’ further increasing player engagement and retention, which is another goal taught by Bryson.” *Id.* (quoting Ex. 1009 ¶ 8) (citing Ex. 1004, 1:21–24).

We determine the foregoing summary of the Petition provides sufficient argument and evidence in relation to the proposed obviousness of claim 1 over Amaitis, Bryson, and Oberberger, to demonstrate a reasonable likelihood that Petitioner would prevail with respect to this challenge. Further, Patent Owner's present opposition is not persuasive, for the following reasons.

Patent Owner argues Oberberger does not disclose a player selecting a betting range, as recited in claim 1, because "[s]etting limits is not selecting a betting range." Prelim. Resp. 24–25, 53–56. This position rests upon a claim construction that we have rejected above. *See supra* Section IV.C.1(a). We have preliminarily determined that the term "betting range" may correspond to minimum and maximum bet amounts that may be wagered in a game. *See id.* Based on the present record, we conclude Oberberger discloses matching players based on selected minimum and maximum bet amounts. *See* Ex. 1009, code (57), ¶¶ 10, 108.

Patent Owner also argues Petitioner has not provided a sufficient motivation to combine Amaitis and Bryson with Oberberger. *See* Prelim. Resp. 25, 56 (citing Pet. 68). Patent Owner asserts a person of ordinary skill in the art "would further not have combined Oberberger's limit feature to Amaitis" as proposed by Petitioner, because this "is cumulative" given that Amaitis "already teaches 'specify[ing] particular betting minimums or limits that the user 912 would like to play.'" *Id.* at 56 (citing Ex. 1005 ¶ 47).

We conclude Petitioner's motivation contentions, as summarized above, are sufficiently articulated and supported by the evidence of record to justify institution of review, despite Patent Owner's present opposition. Particularly concerning Patent Owner's "cumulative" argument,

Ground Two is expressly offered for consideration in the event Amaitis is found not to “disclose or suggest the limitations involving matching players for gaming based on a selected ‘betting range’ as recited in” claim 1.

Pet. 67. If Amaitis is found to contain that disclosure, as Patent Owner suggests, then Petitioner relies on Ground One not Ground Two.

For the foregoing reasons, and based on the present record, we determine Petitioner has provided sufficient argument and evidence in relation to the proposed obviousness of claim 1 over Amaitis, Bryson, and Oberberger, to demonstrate a reasonable likelihood that Petitioner would prevail with respect to this challenge.

3. *Claims 4–17*

Petitioner argues and Mr. Nicely testifies that claims 4–17 are unpatentable as having been obvious over Amaitis, Bryson, and Oberberger. *See* Pet. 71; Ex. 1003 ¶¶ 282–283. As discussed above in Section IV.D.4, because we have decided to grant institution on Ground Two 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 claim 1, so there is nothing more for us to consider here. *See* Prelim. Resp. 53–56.

F. *Grounds Three to Six—Obviousness over Amaitis, Bryson, and Various Combinations of Frenkel, Oberberger, and Schlottmann*

In Grounds Three to Six, Petitioner argues dependent claims 2, 3, and 18–20 are unpatentable as having been obvious over Amaitis, Bryson, and various combinations of Frenkel, Oberberger, and Schlottmann. *See* Pet. 13, 71–83; Ex. 1003 ¶¶ 284–315. As discussed above in

Section IV.D.4, because we have decided to grant institution on Grounds One and Two, we must do the same for Grounds Three to Six. Further, Patent Owner presently relies solely on arguments we have already considered above in order to oppose Grounds Three to Six, so there is nothing more for us to consider here. *See* Prelim. Resp. 56.

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 '498 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 1–20 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 1–20 of the '498 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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