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571-272-7822

Paper 15
Entered: March 22, 2023

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

AVIAGAMES, INC.,
Petitioner,

v.

SKILLZ PLATFORM INC.,
Patent Owner.

IPR2022-00530
Patent 9,479,602 B1

Before NEIL T. POWELL, TERRENCE W. McMILLIN, and ARTHUR M. PESLAK, *Administrative Patent Judges*.

McMILLIN, *Administrative Patent Judge*.

ORDER
Decision on Remand
Denying Institution of *Inter Partes* Review
35 U.S.C. § 314

I. INTRODUCTION

AviaGames, Inc. ("Petitioner")[1] filed a Petition to institute an *inter partes* review of claims 1–3, 7–12, and 16–21 (the "challenged claims") of U.S. Patent 9,479,602 B1 (Ex. 1001, the "'602 patent") pursuant to 35 U.S.C. § 311 *et seq*. Paper 1 ("Petition" or "Pet."). Skillz Platform, Inc. ("Patent Owner")[2] filed a Preliminary Response. Paper 7 ("Preliminary Response" or "Prelim. Resp."). Pursuant to our authorization, Petitioner filed a Reply (Paper 9) and Patent Owner filed a Sur-reply (Paper 10).[3] After considering the Petition, the Preliminary Response, the Reply, the Sur-reply, and the evidence of record, we exercised our discretion under 35 U.S.C. § 314(a) to deny institution of *inter partes* review. Paper 12 ("Decision Denying Institution").

Shortly thereafter, the Director ordered Director review of the Board's Decision Denying Institution. Paper 13. On March 2, 2023, a Decision on Director Review was entered vacating the Decision Denying Institution and remanding to this Board panel "to determine, within four weeks of the date of this Order, whether the record before the Board prior to institution presents a compelling, meritorious challenge and, if so, to institute *inter partes* review of the challenged claims." Paper 14, 6. If we determine

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[1] Petitioner identifies AviaGames, Inc. as the real party-in-interest. Pet. 3.
[2] Patent Owner identifies Skillz Platform Inc. as the real party-in-interest. Paper 5, 2.
[3] The authorization to file a reply and sur-reply limited these filings "to address[ing] developments in related litigation that occurred after the Petition was filed that may bear on our consideration of Patent Owner's arguments for discretionary denial of the Petition." Paper 8, 1–2. As the Reply and Sur-reply were limited in subject matter to matters affecting discretionary denial and did not bear on the merits of the Petition, we do not further refer to the Reply or Sur-reply in this decision.

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otherwise, the Director instructed us to deny institution. *Id.* at 3 ("If the Board finds the record prior to institution does not rise to this high standard, the Board will discretionarily deny institution.").

For the reasons set forth below, we determine that the record prior to institution does not present a compelling, meritorious challenge and discretionarily deny institution of *inter partes* review.

A. Related Proceedings

The parties identify the following related proceeding: *Skillz Platform Inc., v. AviaGames, Inc.*, 5-21-cv-02436 (Northern District of California). Pet. 3; Paper 5, 2. The parties indicate that Petitioner also filed a petition against Patent Owner's U.S. Patent 9,649,564 B2 in IPR2022-00531.[4] Pet. 3; Paper 5, 2.

B. The '602 patent

The '602 patent is titled "Event Platform for Peer-to-Peer Digital Gaming Competition." Ex. 1001, code (54). The '602 patent provides that "[e]lectronic sports (also known as eSports or competitive gaming) is a term for organized multiplayer video game competitions" and that eSports events "can include community-organized gatherings of eSports fans in a bar or restaurant." *Id.* at 1:11–17. The '602 patent further describes that eSports bars have arisen, which are similar to traditional sports bars but "also have computers set up to allow customers to play games with each other, and often host in house tournaments as well." *Id.* at 1:20–26. According to the '602 patent, "outside of bars dedicated to eSports, eSporting events are

[4] The Board denied institution in IPR2022-00531 on the merits of the challenges presented. IPR2022-00531, Paper 13. Petitioner requested rehearing, which was denied. IPR2022-00531, Papers 14, 15.

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generally organized in an ad-hoc manner, requiring significant time investment by an organizer to prepare the venue, advertise the event, collect entry fees, determine competition winners, and distribute prizes." *Id.* at 1:27–31. Other issues concerning such events include location restrictions in which event participants must visit the venue, for example, a bar or restaurant, which can increase the venue's food and drink sales. *Id.* at 3:11–15. The '602 patent purports to resolve these issues by providing "technical advantages" such as including "an integrated platform for organizing live eSport events" or "provid[ing] for viewing of event participant gameplay without requiring special audio/visual equipment, connections, adaptors, and the like." *Id.* at 3:1–4, 16–19.

Figure 1, reproduced below, shows "a process flow diagram illustrating a process of providing a skill-based digital game for a peer-to-peer gaming event," in accordance to the '602 patent. *Id.* at 3:36–38.

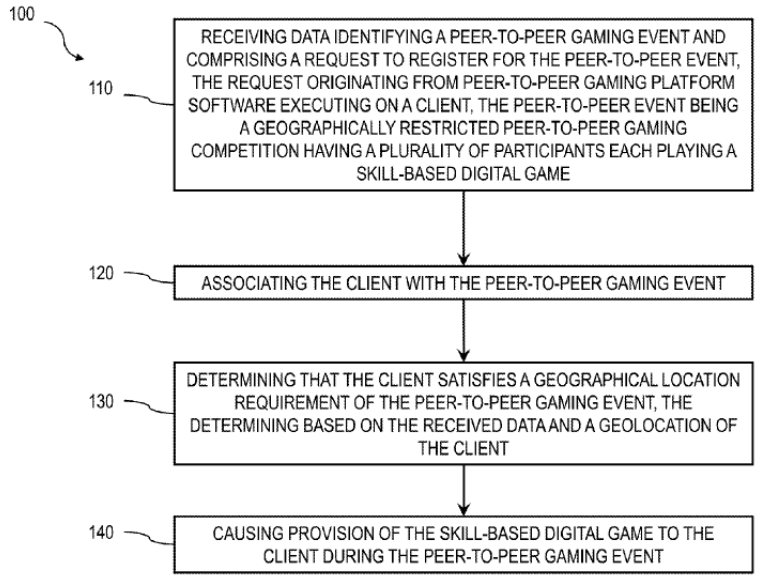

FIG. 1

Figure 1 depicts process 100 and includes block 110 in which "data is received identifying a peer-to-peer gaming event" for multiple participants

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and the event occurs "at or during a specific time and at a designated location or venue." *Id.* at 3:64–66, 4:11–16. The '602 patent discloses:

> The data can be received from or originate from a peer-to-peer gaming platform software executing on a remote client. The client can include, for example, a mobile computing device of a participant (e.g., a smartphone or tablet), although in some implementations, the client can include other computing systems and/or gaming consoles. The peer-to-peer gaming platform software can interface with a game instance to provide a fully integrated set of technologies that can facilitate event formation and implementation using a third party game. For example, the peer-to-peer gaming platform software can interface and/or work in parallel with existing games to provide for event functionality.

Id. at 4:26–38. At block 120, the client is "associated with the peer-to-peer gaming event" and at block 130, it is determined whether the client "satisfies a geographical location requirement of the peer-to-peer event." *Id.* at 4:39–40, 48–49. Finally, at block 140, "provision of the skill-based digital game to the client can be caused" during the peer-to-peer gaming event. *Id.* at 5:3–5.

According to the '602 patent, determining whether the client satisfies the geographical location requirement is via "receiving data characterizing a location of the client according to a geolocation of the client; and comparing the location of the client to a predefined geolocation of the peer-to-peer event." *Id.* at 1:65–2:3. Characterizing and comparing locations can be performed using "a global positioning system (GPS) service or a local positioning system (LPS) utilizing beacons." *Id.* at 2:3–5. The '602 patent discloses that non-transitory computer program products with instructions along with data processors of computing systems and memory coupled to the

data processors are used to connect and exchange data over a network. *Id.* at 2:47–67.

C. Challenged Claims

Petitioner challenges claims 1–3, 7–12, and 16–21 of the ’602 patent. Pet. 1. Of the challenged claims, claims 1, 10, and 19 are independent claims. Ex. 1001, 14:43–15:5, 16:1–31, 17:30–18:10.

Claim 1, reproduced below, is illustrative of the claims at issue:

> 1. A method for implementation by at least one data processor forming part of at least one computing system, the method comprising:
>
> receiving, by at least one data processor, data identifying a peer-to-peer gaming event and comprising a request to register for the peer-to-peer gaming event, the request originating from peer-to-peer gaming platform software stored in memory of a client and executing on the client, the client being remote from the [at] least one data processor, the peer-to-peer event being a geographically restricted peer-to-peer gaming competition having a plurality of participants each playing a skill-based digital game;
>
> associating, using the at least one data processor, the client with the peer-to-peer gaming event;
>
> receiving data characterizing a location of the client according to a geolocation system of the client, wherein the geolocation system of the client is a global positioning system (GPS) service or a local positioning system (LPS) utilizing beacons; and
>
> comparing the location of the client to a predefined geolocation of the peer-to-peer event to determine, using the at least one data processor, that the client satisfies a geographical location requirement of the peer-to-peer gaming event; and
>
> causing, using the at least one data processor, provision of the skill-based digital game to the client during the peer-to-peer gaming event, the skill-based digital game

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> exchanging game data with a game server remote from the at least one data processor and the client.

Ex. 1001, 14:43–15:5.

D. The Asserted Grounds and the Cited Art

Petitioner challenges claims 1–3, 7–12, and 16–21 of the '602 patent based on the grounds set forth in the table below.

Claim(s) Challenged	35 U.S.C. §	Reference(s)
1, 2, 9–11, 18–20	103	Lee[5]
1, 2, 7, 9–11, 16, 18–20	103	Lee, Koustas[6]
1–3, 7–12, 16–21	103	Lutnick[7]
3, 12, 21	103	Lee, Tan[8]
3, 12, 21	103	Lee, Koustas, Tan
3, 12, 21	103	Lutnick, Tan
8, 17	103	Lee, Wang[9]
8, 17	103	Lee, Koustas, Wang

The '602 patent issued from an application filed on May 20, 2015. Ex. 1001, code (22). Each of the cited references appears on its face to qualify as prior art to the '602 patent. *See* Pet. 6. Patent Owner has not argued that any of the cited references do not qualify as prior art. *See generally* Prelim. Resp. For purposes of determining whether to institute

[5] US 7,158,798 B2, issued Jan. 2, 2007 (Ex. 1004). Petitioner contends this reference is prior art under 35 U.S.C. § 102(a). Pet. 6.
[6] US 9,613,498 B2, filed June 19, 2009, issued Apr. 4, 2017 (Ex. 1005). Petitioner contends this reference is prior art under 35 U.S.C. § 102(a). Pet. 6.
[7] US 8,758,109 B2, issued June 24, 2014 (Ex. 1008). Petitioner contends this reference is prior art under 35 U.S.C. § 102(a). Pet. 6.
[8] US 2015/012437 A1, published Apr. 30, 2015 (Ex. 1006). Petitioner contends this reference is prior art under 35 U.S.C. § 102(a). Pet. 6.
[9] US 2014/0074918 A1, published Mar. 13, 2014 (Ex. 1007). Petitioner contends this reference is prior art under 35 U.S.C. § 102(a). Pet. 6.

inter partes review, we consider each of the cited references to be prior art to the challenged claims of the '602 patent.

II. ANALYSIS

A. The Compelling Merits Standard Applies

As noted above, the Director ordered that we are "to determine . . . whether the record before the Board prior to institution presents a compelling, meritorious challenge." Paper 14, 6.[10] We are instructed to make this determination consistent with the USPTO Memorandum, Interim Procedure for Discretionary Denials in AIA Post-Grant Proceedings with Parallel District Court Litigation ("Guidance Memo") (June 21, 2022),[11] and the Director's decision in *OpenSky Indus., LLC v. VLSI Tech. LLC*, IPR2021-01064, Paper 102, 49–50 (PTAB Oct. 4, 2022) (precedential) ("*OpenSky*"). Paper 14, 3. According to the Guidance Memo, "[c]ompelling, meritorious challenges are those in which the evidence, if unrebutted in trial, would plainly lead to a conclusion that one or more claims are unpatentable by a preponderance of the evidence."[12] Guidance Memo at 4. And, the Director stated in *OpenSky* that, "[a] challenge can

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[10] The Director did not authorize additional briefing by the parties although the Director may do so. *See Interim Process for Director Review* § 13 (Sept. 22, 2022) (explaining that the Director may give the parties an opportunity for briefing if Director review is initiated *sua sponte*) (available at https:www.uspto.gov/patents/patent-trial-and-appeal-board/interim-process-director-review).

[11] Available at http://www.uspto.gov/sites/default/files/documents/interim_proc_discretionary_denials_aia_parallel_district_court_litigation_memo_20220621_.pdf.

[12] A preponderance of the evidence is the evidentiary standard set forth in 35 U.S.C. § 316 (e) for petitioners to prove unpatentability in *inter partes* review.

only 'plainly lead to a conclusion that one or more claims are unpatentable' . . . if it is highly likely that the petitioner would prevail with respect to at least one challenged claim." *OpenSky* at 49.[13] Applying the compelling merits standard, we analyze the challenges in the Petition to determine "if it is highly likely that the petitioner would prevail with respect to at least one challenged claim." *See id.* In doing so, we will "provide [our] reasoning in determining whether the merits are compelling." *See id.* at 50: *see also CommScope Tech. LLC v. Dali Wireless, Inc.,* IPR2022-01242, Paper 23, 5 (PTAB Feb. 27, 2023).

B. Discussion of Whether Any Challenge Meets the Compelling Merits Standard

Each of independent claims 1, 10, and 19 are challenged as obvious in view of Lee alone, the combination of Lee and Koustas, and Lutnick alone. Pet. 2. Our decision not to institute is based on our determination that Petitioner fails to establish it is highly likely that any of Lee, Lee and Koustas, or Lutnick teach or suggest all the limitations of any independent claim and the additional cited art fails to cure these deficiencies as to any challenged claim on any asserted ground.

1. Challenges Based on Lee

Petitioner challenges independent claims 1, 10, and 19 based on Lee. Pet. 2, 15–32 (limitation-by-limitation presentation for claim 1), 33–34 (presentation for claim 10 relying on the presentation for claim 1), 34–35

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[13] The Director also instructed that "[a]s the Guidance Memo and my precedential decision in *OpenSky* make clear, the compelling merits standard is a higher standard than the standard for institution set by statute." Paper 14, 4 (footnote omitted); *see also Open Sky* at 49 ("To be clear, a compelling-merits challenge is a higher standard than the reasonable likelihood required for the institution of an IPR under 35 U.S.C. § 314(a).").

(presentation for claim 19 relying on the presentation for claim 1). Claims 1, 10, and 19 recite, "peer-to-peer gaming platform software stored in memory of a client and executing on the client."[14] Ex. 1001, 14:49–51 (claim 1), 16:8–10 (claim 10), 17:38–40 (claim 19). The entire presentation in the Petition as to these recited elements provides:

> Lee further teaches *the peer-to-peer gaming platform software stored in memory of a client and executing on the client*. Lee teaches that its components can be implemented in software (EX1004 at 8:8) on mobile terminals, *e.g.*, mobile telephone, wireless PDA, or laptop (*id.* at 1:16-18), and a POSITA would have understood that software would be necessary to provide registration client interfaces (*id.* at 3:54-4:7) and gaming functionality (*id.* at 3:25-28). EX1003 at ¶112. Further, a POSITA would have understood that Lee's mobile terminals would have memory to store and execute software. *Id.*

Pet. 24. This paragraph does not cite any passage in Lee that Petitioner even alleges teaches or suggests that the gaming platform software is stored in memory of a client or is executed on the client. The cited paragraph in the Friedman Declaration (Ex. 1003) provides:

> Lee's client runs software programs to organize and play the games on modern devices like laptops and PDAs. Lee at 8:8; 1:16-18. Software would be required to generate the types of interfaces and gaming functionality described by Lee. *Id.* at

[14] Neither party proposes that any explicit claim construction is necessary for this limitation or for any other term or limitation in the claims so we apply the plain and ordinary meaning to the claim terms and limitations discussed in this decision. *See* Pet. 7 ("All the claim terms should be construed according to their ordinary and customary meaning as understood by a POSITA [person of ordinary skill in the art]."), 11 ("The claims should be given their plain and ordinary meaning."); Prelim. Resp. 20 ("[Patent Owner] submits that all the terms in the claims should be given their plain meaning.").

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> 3:54-4:7; 3:25-28. These devices would have memory capable of executing software.

Ex. 1003 ¶ 112. Although this passage states that "Lee's client runs software programs to organize and play the games on modern devices like laptops and PDAs," the cited passages from Lee do not support this statement and there is no explanation or reasoning supporting this statement.[15] The Petition cites no substantive analysis of Lee in the Friedman Declaration identifying any specific software in the memory of the client or executing on the client as the recited gaming platform software. And, elsewhere, the Friedman Declaration states that "Lee's game server provisions the game" and "Lee's game server checks and sets up the game, and exchanges game data. *Id.* ¶¶ 119, 121.

The cited passages from Lee in the quoted paragraph from the Petition and from the Friedman Declaration state:

> A mobile terminal (MT) (e.g., a mobile telephone, wireless personal digital assistant (PDA), wireless equipped portable or laptop computer, etc.) is often equipped for various types of communication and communication protocols depending on the form the MT takes.
>
> * * *
>
> Suitably, the games played may include a scavenger hunt, a trivia game, tag, a dating game, hide and seek, "I spy" or the like. Upon completion of a game, one or more winners may receive one or more designated or selected prizes.
>
> * * *
>
> Suitably, each user desiring to selectively participate in ad-hoc games administered by the GS 10 registers their

[15] 37 C.F.R. § 42.65(a) provides, "Expert testimony that does not disclose the underlying facts or data on which the opinion is based is entitled to little or no weight.").

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> respective MT 20 in advance of game play. That is to say, potential game players (i.e., users) selectively subscribe to the game service being provided, e.g., which may be provided by the same WSP that otherwise provides wireless service for their MT 20. Information regarding registered players [is] maintained in a database 40. The database 40 may include identifying data for each user/player such as their name (real and/or an arbitrarily selected pseudonym or screen name), the phone number and/or other id for their MT 20, optional password, etc. The database 40 may also contain billing information for each user/player such as a billing address, credit or debit card information, etc. Further, user/player preferences may also be maintained in the database 40 including, e.g., which games the player favors, when the player prefers to play, the locations in which the player prefers to play, etc. Suitably, the preferences are self selected by each player, or the preferences are generated by monitoring the player's behavior (i.e., by tracking the history of a player's actual use of the game service).
>
> * * *
>
> It is to be appreciated that particular elements or components described herein may have their structure and/or functionality suitably configured and/or implemented as hardware, software, firmware or a combination of the same.

Ex. 1004, 1:16–20, 3:25–28, 3:54–4:7, 8:5–8. Considering all the evidence cited above, there exists no evidence that the "peer-to-peer gaming platform software" is "stored in memory of a client" or is "executing on the client."

In one of these quoted passages (*id.* at 3:54–56), Lee states that the "ad-hoc games [are] administered by the [Game Server] GS 10." And, in describing "a trivia game," Lee states that "questions are transmitted from the GS 10 to the participating MTs 20, and the MTs 20 that respon[d] with the correct answer score a point or otherwise get credit." *Id.* at 7:7–10. While not directly addressing where the

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"gaming platform software" resides, this sentence suggests that this software resides on GS 10.[16] GS 10 is a game server described and depicted in Lee as distinct from mobile terminals 20.[17] *Id.* at 3:15–19 ("With reference to FIG. 1, a telecommunications system A includes a game server (GS) 10 which administers location-based ad-hoc (i.e., spontaneous or impromptu) games to a plurality of mobile terminals 20 over a wireless communications (voice and/or data) network 30."). Figure 1 of Lee is reproduced below.

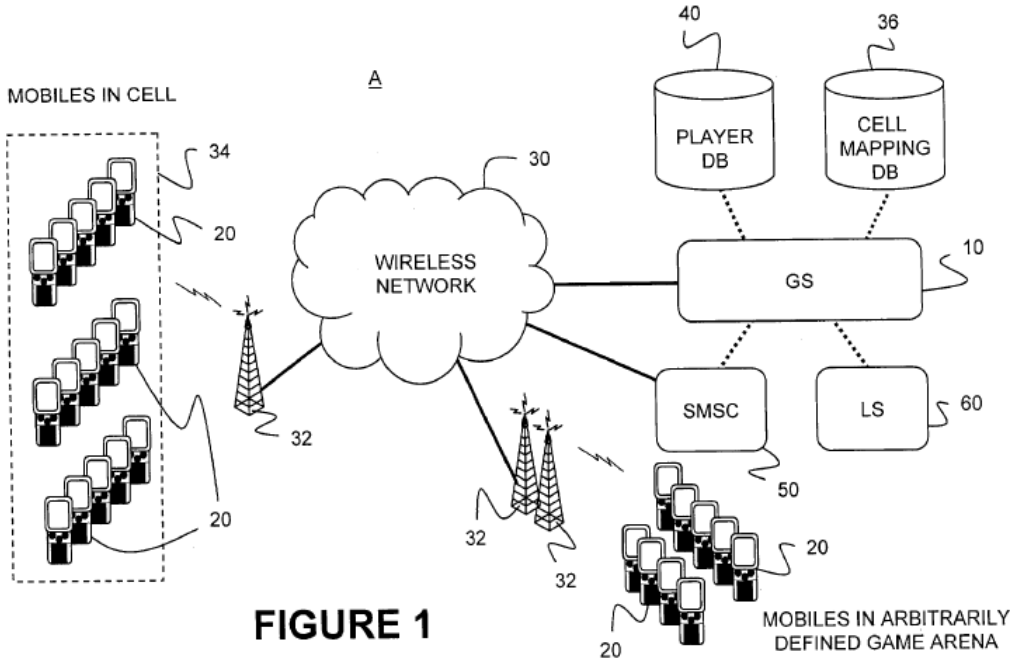

FIGURE 1

Figure 1 depicts "an exemplary telecommunications system supporting a location-based ad-hoc wireless game playing service in accordance with

[16] In the Petition, this sentence is interpreted as "the game server initiates the game and exchanges data with the mobile terminals." Pet. 14.
[17] In the Petition, the game server (GS) 10 of Lee is mapped to the recited "data processor" and the mobile terminals (MTs) 20 of Lee are mapped to the recited "client." *See, e.g.*, Pet. 16, 31 ("Lee's game server 10 satisfies the claimed *data processor* and its mobile terminal satisfies the claimed *client*.").

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aspects of the present invention." *Id.* at 3:5–8. We determine that Petitioner is not likely to establish that Lee teaches or suggests "peer-to-peer gaming platform software stored in memory of a client and executing on the client" as recited in claims 1, 10, and 19 and is, therefore, not highly likely to establish that all the elements of independent claims 1, 10, and 19 are taught or suggested by Lee.

And, there is an additional element of independent claims 1, 10, and 19 that Petitioner fails to establish is taught or suggested by Lee. Claims 1, 10, and 19 recite, "a game server ***remote*** from the at least one data processor and the client." Ex. 1001, 15:4–5 (claim 1), 16:30–31 (claim 10), 18:10–11 (claim 19) (emphasis added). In this regard, the Petition states:

> Th[is] limitation[ ] . . . require[s] that the *skill-based digital game exchange game data with a game server* that is *remote from the data processor and the client*. EX1003 at ¶120. In other words, there must be another server that exchanges game data, where the other server is different than the data processor (*i.e.*, the game server 10) that implements the functions in claim 1 (to receive registration, location-determine, and set-up the game) and the client. As described in [the preamble, the preceding limitations, and this limitation of claim 1], Lee's game server 10 satisfies the claimed *data processor* and its mobile terminal satisfies the claimed *client*.
>
> Having a server exchange game data—separate from Lee's game server—would have been [] obvious in view of Lee. EX1003 at ¶¶120-121. Lee contemplates such an arrangement: dependent claim 14 states that its game system can comprise "one or more servers" (EX1004 at 10:17-19) to perform the steps of claim 13, which "establish[] a game offering" (*id.* at 9:49-50), "designate a region" (*id.* at 10:1-2), "locat[e] mobile terminals," (*id.* at 10:3-4), "send[] . . . invitation[s] to participate in a game," (*id.* at 10:5-10) and "collect[] . . . responses to the invitation" (*id.* at 10:12-15). Lee's specification also acknowledges that any one of its teachings on a singular element can be implemented via a

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> plurality of distinct elements to carry out the functions described. *Id.* at 8:12-17. Lee acknowledges that a single server can be used to perform each separately recited function. In light of Lee's teaching of using multiple servers to perform functionality, a POSITA would have found it obvious to provide the game data exchange functionality taught in Lee's game server as a separate server. EX1003 at ¶121.

Pet. 31–32 (fifth through ninth alteration in original). Although acknowledging that the plain language of claim 1 explicitly requires a remote game server, this claim element is not addressed by Petitioner. Nothing in this passage from the Petition even alleges that Lee teaches or suggests a remote game server. Assuming all this passage states is true and supported by Lee, we find nothing that addresses the game server being remote from the data processor and the client.[18] A different or separate server is not necessarily remote. Petitioner fails to establish, or even argue, that Lee teaches or suggests the remote game server as recited in the independent claims of the '602 patent.

As noted above, Petitioner relies on its arguments and evidence as to independent claim 1 for its showing as to independent claims 10 and 19 for its challenges to the claims based on Lee. *See* Pet. 33–35. And, Petitioner makes no argument that its showing as to the dependent claims for its challenges based on Lee cure the deficiencies we have identified in its challenges to the independent claims based on Lee. *See generally id.*

Taking into consideration and weighing all the related arguments and evidence provided by the Petition, we determine that it is not highly likely

[18] We have reviewed all the passages in Lee that are cited in the above-quoted passage in the Petition (Ex. 1004, 8:12–17, 9:49–50, 10:1–19) and find no teaching or suggestion of a remote game server as recited.

that Petitioner will establish that Lee teaches or suggests "peer-to-peer gaming platform software stored in memory of a client and executing on the client" and "a game server remote from the at least one data processor and the client" as recited in independent claims 1, 10, and 19 of the '602 patent.

2. Challenges Based on Lee and Koustas

Petitioner also argues that claims 1, 10, and 19 are unpatentable as obvious in view of a combination of the teachings of Lee and Koustas. Pet. 2, 41–47 (limitation-by-limitation presentation for claim 1), 50–51 (presentation for claim 10 relying on the presentation for claim 1), 52–53 (presentation for claim 19 relying on the presentation for claim 1). Claims 1, 10, and 19 recite, "peer-to-peer gaming platform software stored in memory of a client and executing on the client." Ex. 1001, 14:49–51 (claim 1), 16:8–10 (claim 10), 17:38–40 (claim 19).

Here again, Petitioner relies on Lee alone as teaching all the elements of this limitation. Pet. 42 ("As described in Ground 1 . . . Lee teaches this limitation."). As discussed above, we determine that Petitioner has failed to establish that Lee teaches or suggests that the gaming platform software is stored in the memory of the client or executed on the client and that the contrary is true.

With regard to Koustas, the Petition states that "Koustas . . . teaches . . . using third-party gaming servers" (Pet. 1), "Koustas hosts its various games—including 3rd party and in-house games—across various games servers (*id.* at 46 (citing Ex. 1005:4:42–43)), and "a POSITA . . . would understand that Koustas teaches using third party servers" (*id.* (citing Ex. 1003, ¶¶ 124–133, 143)).

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With regard to the combination of Lee and Koustas, the Petition provides:

> [A] POSITA would have been motivated to combine Koustas and Lee to provide additional functionality to the software.
>
> Koustas likewise teaches peer-to-peer gaming platform software stored in memory of a client and executing on the client. It provides a software interface that can operate on various clients. EX1005 at 3:46-5 [sic]; 4:48-62; Claim 15, FIG. 3 (showing the client interface). As depicted below, the client-side software provides users the ability to access account information (aqua), receive information regarding promotions (green), sign-up/login (blue), or select a variety of games (yellow), and can provide the tournaments/games to register for (red).

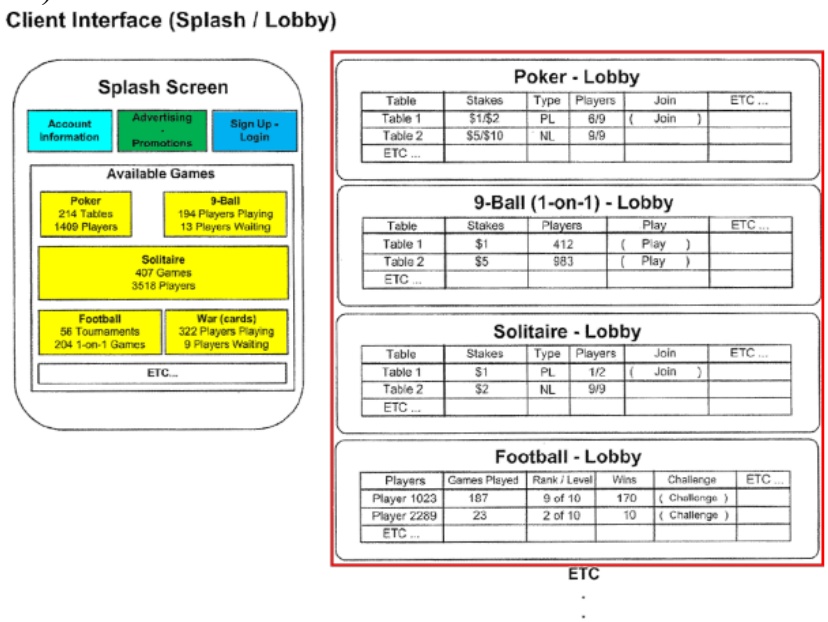

Figure 3

> A POSITA would have been motivated to combine the interface teachings of Koustas with the teachings of Lee. A[s] described in Ground 1 . . ., Lee teaches gaming software, but it does not provide graphical depictions of the screen for the client interface. Koustas—as depicted above—does and provides improvements regarding the layout, and access, of certain

> buttons and access to various options. EX1003 at ¶¶137-138. A POSITA would have been motivated to provide an interface, such as the one taught in Koustas, to provide buttons, etc. for the client-side functionality taught in both Koustas and Lee (*e.g.*, the ability to *register for a peer-to-peer gaming event*).

Id. at 42–44. Although we accept that Koustas teaches "a software interface that can operate on various clients" as argued by Petitioner, we do not discern how or why this establishes that Koustas alone, or in combination with Lee, teaches or suggests that gaming platform software is stored in the memory of a client and executes on the client. And, as with Lee, we determine that Koustas teaches or suggests to the contrary.

The Petition includes an annotated Figure 4 of Koustas, reproduced below.

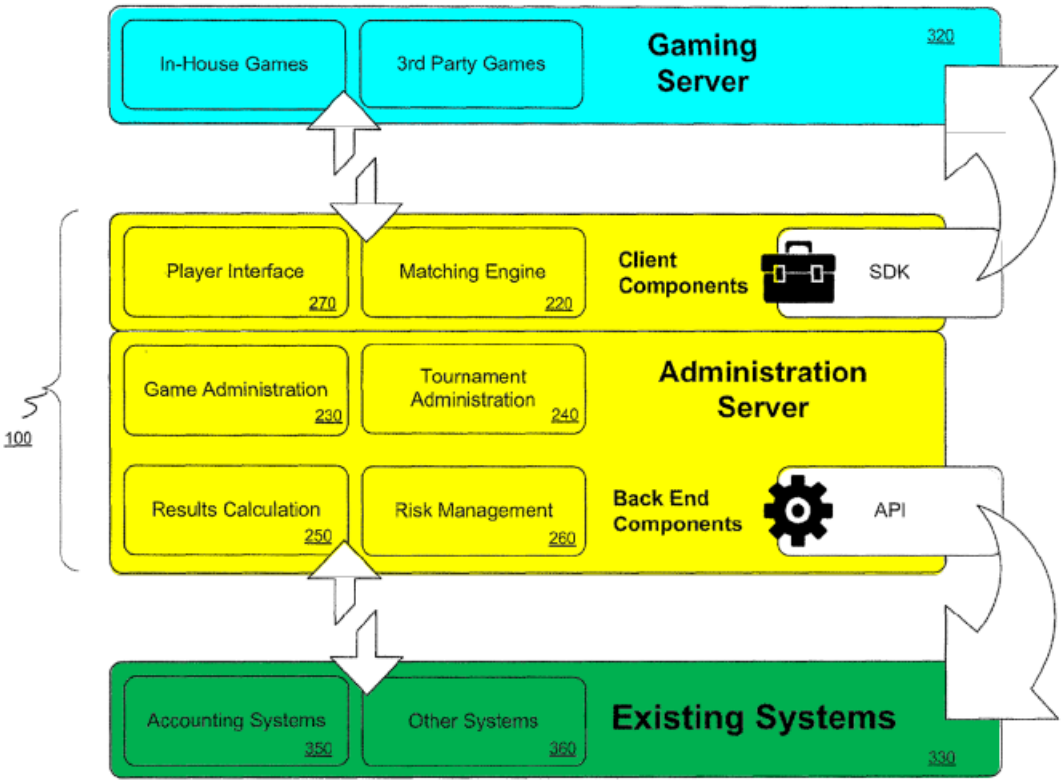

Figure 4

Pet. 37. Figure 4 of Koustas depicts an "exemplary representation of software modules that could be used by and with a peer-to-peer platform." Ex. 1005, 3:10–12. The related description of Koustas in the Petition states:

> Koustas provides a Gaming Server 320 (aqua) and an Administration Server 100 (yellow). EX1005 at 4:35-38; 8:32-43. ***The Gaming Server 320 contains games that are run by the client, and are implemented by a variety of gaming servers that have both in-house and third-party games.*** *Id.* at 4:40-45. ***The Administration Server 100 provides various functions for gaming*** and match-matching, including a Gaming Option Creation module 210 that determines available games, Matching Engine module 220 that matches gamers with each other, a Game Administration module 230 that overseas gameplay, and a Tournament Administration module 240 that tracks tournaments. *Id.* at 5:33-55. Existing Systems 330 (green) are other systems that the Administration Server 100 interacts with. *Id.* at 4:25-47.

Pet. 36–37 (emphasis added). We determine that this description of the disclosure of Koustas is correct and better supports a determination that Koustas teaches that the gaming platform software is stored in the memory of the Gaming Server 320 and/or the Administration Server 100[19] rather than the client.[20]

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[19] Elsewhere in the Petition, the Administration Server 100 of Figure 4 is mapped to the "data processor" as recited. *See* Pet. 48–49 ("[T]he Tournament Administration module 240 can be part of the administration server (*id.* at FIG. 4 (Tournament Administration 240[)]; 13:20-21) which, as described in claim 1, is the claimed *data processor*.").

[20] Koustas provides this description of its client:

> The Gaming Client 310 represents the hardware and included software that is used by individual users, or players, who want to participate in peer-to-peer gaming including peer-to-peer skill-based gaming. For example, a player could be provided, or use, various embodiments of the present invention, including

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As noted above, Petitioner relies on its arguments and evidence as to independent claim 1 for its showing as to independent claims 10 and 19 for its challenges to the claims based on the combination of Lee and Koustas. *See* Pet. 50–53. And, Petitioner makes no argument that its showing as to the dependent claims for its challenges based on the combination of Lee and Koustas cures the deficiencies we have identified in its challenges based on Lee and Koustas for the independent claims. *See generally id.*

Taking into consideration and weighing all the related arguments and evidence provided by the Petition, we determine that it is not highly likely that Petitioner will establish that the combination of Lee and Koustas teaches or suggests "peer-to-peer gaming platform software stored in memory of a client and executing on the client" as recited in claims 1, 10, and 19 of the '602 patent.

3. Challenges Based on Lutnick

Petitioner challenges independent claims 1, 10, and 19 based on Lutnick. Pet. 2, 55–64 (limitation-by-limitation presentation for claim 1), 69–70 (presentation for claim 10 relying on the presentation for claim 1), 72 (presentation for claim 19 relying on the presentation for claim 1). We focus our analysis of this challenge on the recitation in claims 1, 10, and 19 of "the

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> Touch Screen Kiosks, Palmtops, PDAs, Wireless Tablets, or Slot/Video Machines. In one embodiment, the Gaming Client 310 is a custom built end-user interface that utilizes currently deployed equipment on the casino floor such as Wireless Handheld devices, Kiosks and Interactive TVs. The interface of the Gaming Client 310 is customizable for visual consistency with an existing framework. For example, the interface could be adapted to run on an existing slot machine.

Ex. 1005, 3:48–62.

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request [to register for the peer-to-peer gaming event] originating from peer-to-peer gaming platform software stored in memory of a client and executing on the client." Ex. 1001, 14:48–51 (claim 1), 16:7–10 (claim 10), 17:38–40 (claim 19). The presentation in the Petition as to these recited elements provides:

> [T]he user can initiate a request to participate in a game from their computer via a website. A POSITA would understand that the request would come from client-side software, e.g., a web-browser, which is stored in memory and executing on the client. EX1003 at ¶153. Lutnick recognizes—and teaches—that websites are accessed via HTML/Java interfaces (EX1008 at 45:30-34), which a POSITA would understand to be accomplished via browser software on the client. EX1003 at ¶153. Further, a POSITA would understand that browsers, *e.g.*, Chrome, Safari, etc., run gaming software via Java or HTML, and were provided as platform specific applications, i.e., MacOS or Windows.[21] *Id.* And, as Lutnick teaches, clients accessed GUI interfaces when connecting to the website to play poker. EX1008 at 41:25-30. Consequently, a client sending a request to a website to join a poker game/tournament via an installed browser satisfies ["the request originating from peer-to-peer gaming platform software stored in memory of a client and executing on the client"].

Pet. 59. Petitioner fails to identify any teaching or suggestion in Lutnick of gaming platform software in the memory of the client or executing on the client. The cited passage in Lutnick states:

> In use, a player wishing to participate in the game of poker uses a computer workstation (D4) to access an online casino website (D3a, D3b) of his choice. The player is presented with an icon (not shown) on the GUI on his computer

[21] We determine that widely available browsers, such as Chrome and Safari, and widely available operating systems, such as MacOS and Windows, are not "gaming platform software" as recited.

> work station (D4), which the user can activate in order to request participation in the poker game at a desired level of play.

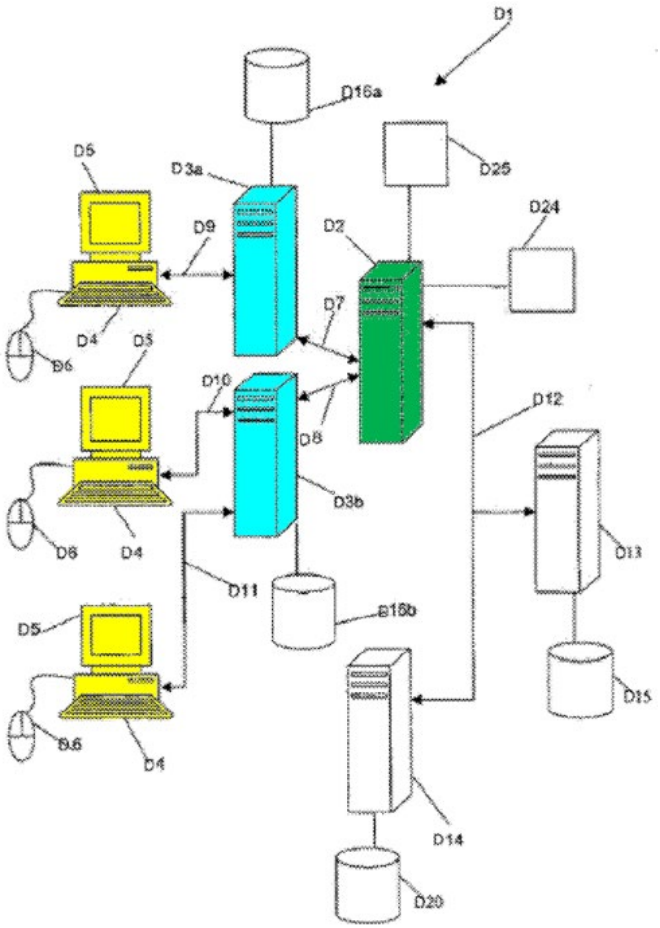
Ex. 1008, 41:25–30. The Petition contains no reasoning or explanation as to how or why this passage from Lutnick teaches or suggests that the request to register originates from gaming platform software stored in the memory of a client and executing on a client. And, as shown below, Lutnick contains teachings that teach or suggest to the contrary.

The cited paragraph in the Friedman Declaration states:

> As described above, Lutnick teaches accessing an online poker website in order to play. A POSITA would understand that this could be accessed via a browser, or a standalone application program. This is apparent from Lutnick's teachings of HTML/Java interfaces (Lutnick at 45:30-34) which would be known to include client-side software browsers like Chrome or Safari that were platform specific applications for certain operating systems like MacOS or Windows. This is further apparent from Lutnick's teachings of GUI interfaces that are generated when a player connects to a website. *Id.* at 41:25-30.

Ex. 1003 ¶ 153. Here again, this paragraph contains no reasoning or explanation as to how or why Lutnick teaches or suggests that the request to register originates from gaming platform software stored in the memory of a client and executing on a client. And, as shown below, Lutnick contains teachings that teach or suggest to the contrary.

With regard to the recited "client," "at least one data processor," and "game server," the Petition provides an annotated version of Figure 8 of Lutnick, reproduced below. Pet. 55.



According to the Petition, annotated Figure 8 depicts user computers D4 (yellow), a casino website D3a and D3b (aqua), and a gaming server D2 (green). Pet. 54. In this regard, the Petition states:

> The methods are implemented through a network of computers, including a user computer (D4, yellow) (the claimed *client* . . .), a casino website (D3a, D3b, [aqua]) (the claimed *at least one processor* . . .), and a gaming server (D2, [green]) (the claimed *game server* . . .). EX1008 at 39:59-41:7; FIG. 8 ([reproduced above]). From their computers, gamers can select—and register to participate in—games, *e.g.*, poker via the gaming website (*id.* at 40:61-65), which passes the user request to the gaming server (*id.* at 41:39-32 [sic]).

Id. Lutnick states that the game software is stored and executed on the gaming server D2 rather than the user computers D4 (or "client"). *See*

Ex. 1008, 40:65–41:1 ("Each participating player is presented with an identical graphical user interface (GUI) on the display (D5) of this respective computer workstation (D4) by ***the stored program in the gaming server (D2)***.") (emphasis added), 41:14–19 ("***The stored program in the gaming server (D2)*** also maintains a dynamic register (D19) of all players admitted to, and actively participating in, all the spawned instances of the poker from time to time, together with data representative of a corresponding portal (D3*a*, D3*b*) through which each participating player accessed the game.") (emphasis added).

The entire paragraph from which the passage cited in the Petition is taken provides:

> In use, a player wishing to participate in the game of poker uses a computer workstation (D4) to access an online casino website (D3*a*, D3*b*) of his choice. The player is presented with an icon (not shown) on the GUI on his computer work station (D4), which the user can activate in order to request participation in the poker game at a desired level of play. ***The user's request for participation is passed by the online casino website (D3a, D3b) to the gaming server (D2), which may adjudicate and process the request in the following manner***: 1. if all existing instances of the poker game at the desired level of play are currently being played by 8 players, the existing instances of the game are all fully occupied and the would-be player cannot be admitted. The user is notified of the situation and is prompted to join a waiting list of would-be players; 2. if any one of the existing instances of the poker game at the desired level of play does have a vacancy, the would-be player is removed from the waiting list and admitted to that instance of the game and an appropriate GUI is presented to the newly admitted player to allow him to play the game and to place wagers thereon; 3. the register of active participating players is updated to include the details of the newly-admitted player, together with data representative of the online casino website (D3*a* or D3*b*) from which the player was

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> admitted to the game, as well as the particular instance of the game to which he has been admitted; 4. when the waiting list of would-be players at any particular level of play has grown sufficiently large, say 4 or 5, the gaming server spawns a new instance of the game at that level of play to accommodate the would-be players in the waiting list, and the list is flushed; and 5. The register of active participating players is updated to include the details of all the newly-admitted players in the newly-spawned instance of the game, together with data representative of an online casino website (D3*a* or D3*b*) from which the players were admitted to the game, as well as the particular instance of the game to which the players have been admitted.

Ex. 1008, 41:25–60 (emphasis added). We determine that this paragraph in Lutnick can be fairly read to teach or support that the gaming platform software is stored in the memory of, and executed on, the game server D2 not the user computers D4 (or "client").

The Petition also states:

> To the extent Patent Owner argues that a client-side browser that plays multiplayer poker is not *peer-to-peer gaming platform software*, Lutnick also teaches providing gaming-specific software, and a POSITA would have found it obvious to use that gaming-specific software to access Lutnick's poker websites. EX1003 at ¶154. In several embodiments, Lutnick teaches downloadable gaming software for client-side gaming. EX1008 at 29:7-14; 31:28-32; 45:30-34; 105:36-48; 161:32-40; 60:47. And, Lutnick teaches that its devices can be preprogrammed with gaming software. *Id.* at 59:29-30. A POSITA would have understood providing a particular—and entirely customizable—user experience for their products and games would have provided a better, more controllable gaming experience. EX1003 at ¶154. Multiplayer Internet poker was well-known and used via several standalone Internet poker applications, *e.g.*, FullTiltPoker and PokerStars. *Id.*

Pet. 59–60. The cited paragraph in the Friedman Declaration states:

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> Lutnick also teaches downloadable client-side gaming software. *See, e.g.*, 29:7-14; 31:28-32; 45:30-34; 105:36-48; 161:32-40; 60:47. Lutnick's client devices can be programmed with gaming software allowing the player to select which game to play on the online casino, including poker. *Id.* at 53:61-54:18, 59:29-30. Online poker software also existed in the forms of very well known online Poker applications such as FullTiltPoker and PokerStars. Further, online casinos had implemented player interfaces that were either downloadable, or browser-based; in some cases, online casino software vendors made both types of interfaces available.

Ex. 1003 ¶ 154. Assuming that all that is argued in this passage in the Petition and this paragraph of the Friedman Declaration is true and supported by Lutnick, we determine it is deficient because it fails to show that Lutnick teaches or suggests that a request to register for a gaming event originates from software stored in the memory of a client and executing on the client.

As noted above, Petitioner relies on its arguments and evidence as to independent claim 1 for its showing as to independent claims 10 and 19 for its challenges to the claims based on Lutnick. *See* Pet. 69–72. And, Petitioner makes no argument that its showing as to the dependent claims for its challenges based on Lutnick cure the deficiencies we have identified in its challenges based on Lutnick. *See generally id.*

Taking into consideration and weighing all the related arguments and evidence provided by the Petition, we determine that it is not highly likely that Petitioner will establish that Lutnick teaches or suggests "the request [to register for the peer-to-peer gaming event] originating from peer-to-peer gaming platform software stored in memory of a client and executing on the client" as recited in claims 1, 10, and 19 of the '602 patent.

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III. CONCLUSION

For the foregoing reasons, it is not highly likely that Petitioner would prevail with respect to at least one challenged claim and the Petition does not meet the compelling merits standard.[22] We discretionarily deny institution of *inter partes* review.

IV. ORDER

In consideration of the foregoing, it is hereby:

ORDERED that the Petition is *denied* as to all challenged claims, and no trial is instituted.

[22] Our focus on certain elements and limitations of the independent claims in this decision should not be interpreted as an indication that, except for these particular deficiencies in the Petition, the Petition otherwise meets the compelling merits standard as the contrary is true. As the identified deficiencies provide a sufficient basis to support our decision not to institute, we determine it is not necessary to provide analysis of other portions of the Petition.

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