

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ZYNGA INC.,
Petitioner,

v.

IGT,
Patent Owner.

IPR2022-00200
Patent 8,795,064 B2

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

PETRAVICK, *Administrative Patent Judge*.

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

I. INTRODUCTION

Petitioner Zynga Inc. filed a Petition (Paper 1, “Pet.”) requesting *inter partes* review of claims 1–18 of U.S. Patent No. 8,795,064 B2 (Ex. 1001, “the ’064 patent”). Patent Owner IGT filed a Preliminary Response (Paper 6, “Prelim. Resp.”). With our authorization (Paper 7), Petitioner filed a Preliminary Reply to Patent Owner’s Preliminary Response (Paper 8, “Prelim. Reply”) and Patent Owner filed a Preliminary Sur-reply (Paper 9, “Prelim. Sur-reply”).

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

For the reasons discussed below, we determine that Petitioner shows a reasonable likelihood that at least one of the challenged claims is unpatentable. Accordingly, we institute *inter partes* review of the ’064 patent.

A. Related Matters

The parties state that the ’064 patent was asserted in *IGT v. Zynga Inc.*, Case No. 6:21-cv-00331 (W.D. Tex.). Pet. 4; Paper 3, 1.

Petitioner and Patent Owner are parties to the following additional *inter partes* review proceedings: IPR2022-00199 (U.S. Patent No. 7,168,089), IPR2022-00223 (U.S. Patent No. 7,303,473), and IPR2022-00368 (U.S. Patent No. 8,266,212). Petitioner informs us that, other than being directed to the same general technological field, these patents are not directly related to the ’064 patent. Pet. 4.

B. The '064 Patent

The '064 patent is titled “Method and Apparatus for Outputting a Message at a Game Machine” and issued on August 5, 2014. Ex. 1001, codes (54), (45). The '064 patent “relates to gaming devices” and more specifically “relates to methods and apparatus for providing messages to players at a gaming machine.” *Id.* at 2:31–34. The '064 patent describes a system that “allows a casino, via a game machine, to output appropriate messages in an appropriate way to appropriate players at appropriate times.” Ex. 1001, 4:48–50.

Figure 1 of the '064 patent is reproduced below.

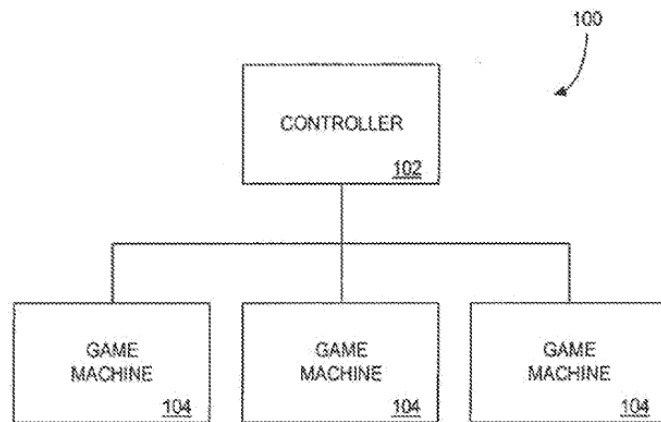


Fig. 1 is a block diagram illustrating an example of gaming system 100. *Id.* at 2:63–64. Gaming system 100 includes one or more controllers 102 in communication with one or more game machines 104 via a network. *Id.* at 10:64–11:4. The '064 patent discloses that “communication between the controller 102, the game machines 104, and/or third-party servers (not pictured), may be direct and/or via a network such as the Internet.” *Id.* at 11:16–19. “In operation, the controller 102 and the game machines 104 may exchange information about the use of the game machines 104 by individual players, data about the players, messages, and the like.” *Id.* at 12:29–32.

C. Challenged Claims

Petitioner challenges claims 1–18. Pet. 1. Claims 1 and 9 are independent claims. Ex. 1001, 75:29–78:17. Claims 2–8 depend from claim 1, and claims 10–18 depend (directly or indirectly) from claim 9. *Id.*

Claim 1 is illustrative and is reproduced below with Petitioner’s labeling of the limitations added in bracketing.

[1p] 1. A gaming system comprising:

[1(i)] at least one output device;

[1(ii)] at least one input device;

[1(iii)] at least one processor; and

[1(iv)] at least one memory device which stores a plurality of instructions, which when executed by the at least one processor, cause the at least one processor to operate with the at least one output device and the at least one input device to:

[1(a)] (a) identify a player placing at [least¹] one wager on at least one play of a game,

[1(b)] (b) track information associated with the identified player,

[1(c)] (c) if a first set of information associated with the identified player is tracked and a message trigger condition occurs in association with the identified player:

(i) determine, based at least in part on the first set of tracked information, a first message, and

(ii) output the determined first message to the identified player, and

[1(d)] (d) if a second, different set of information associated with the identified player is tracked and the

¹ Claim 1 was corrected to replace “as” with “least.” Ex. 1001, Certificate of Correction.

message trigger condition occurs in association with the identified player:

- (i) determine, based at least in part on the second set of tracked information, a second, different message, and
- (ii) output the determined second message to the identified player.

Ex. 1001, 75:29–57.

D. Asserted Grounds of Unpatentability

Petitioner asserts the following grounds of unpatentability:

Claim(s) Challenged	35 U.S.C. §	Reference(s)/Basis
1–18	103(a)	Aristocrat ²
1–18	103(a)	Aristocrat and Boushy ³

Pet. 6, 20. We note that in the Petition, Petitioner treats the grounds above as single ground, with the label “Ground 1.” *Id.* Although we have listed the grounds separately above, as both Petitioner and Patent Owner do, we will treat the grounds together in our analysis below.

Petitioner additionally provides a Declaration of Mr. David Crane (Ex. 1003).

II. ANALYSIS

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

Patent Owner contends we should exercise our discretion under 35 U.S.C. § 314(a) to deny institution of *inter partes* review because the ’064 patent is also challenged in *IGT v. Zynga Inc.*, Case No. 6:21-cv-00331 in the Western District of Texas (“the district court litigation”). Prelim. Resp.

² Bennett et al., International Pub. No. WO 00/32286, published June 8, 2000 (Ex. 1004) (“Aristocrat”).

³ Boushy, U.S. Patent No. 5,761,647, issued June 2, 1998 (Ex. 1005) (“Boushy”).

1–33 (citing, *e.g.*, *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 (PTAB Mar. 20, 2020) (precedential) (“*Fintiv*”).

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

These factors are:

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

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

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

1. Fintiv Factor 1

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

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

Petitioner asserts that it intends to file a motion to stay the district court litigation if this proceeding is instituted and argues that, until the motion is decided, it is merely speculation as to whether the district court will grant or deny a stay. Pet. 7; Prelim. Reply 1.

Patent Owner argues that because the district court litigation is pending before Judge Albright of the U.S. District Court for the Western District of Texas, Waco Division, a stay will not be granted. Prelim. Resp. 8–15; Prelim. Sur-reply 1. According to Patent Owner, “Judge Albright’s long track-record amply demonstrates that he will deny Petitioner’s request for a stay, should Petitioner seek one.” Prelim. Resp. 9–10 (citing Exs. 2005–2008 (articles containing public comments by Judge Albright) and rulings by Judge Albright denying stays). Patent Owner argues that based on other rulings by the district court, the district court would deny any motion to stay. Prelim. Resp. 10–15.

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

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

2. *Fintiv Factor 2*

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

Petitioner indicates that the district court entered a scheduling order in the district court litigation. Pet. 7; Ex. 1006, 4. The district court’s scheduling order sets February 6, 2023, as a default date for “Jury Selection/Trial” and states that “[t]he Court expects to set these dates at the conclusion of the Markman Hearing.” Ex. 1006, 4. Petitioner argues that “[a]ssuming it is not rescheduled, trial would occur only a handful of months before the Board’s projected final written decision date here.” Pet. 7.

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

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

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

Given the statutory deadlines, our latest possible date for issuance of a final written decision in this proceeding is June 10, 2023. 35 U.S.C. §§ 314(b) (2018), 316(a)(11); *see also* 37 C.F.R. § 42.100(c). Thus, the time period from the district court’s default trial date to our projected statutory deadline for a final written decision is approximately four months. In general, if the district court’s trial date is earlier than our projected statutory deadline for a final written decision, the Board usually has weighed this fact in favor of exercising authority to deny institution under *NHK*. *Fintiv*, Paper 11 at 9. Where the trial date and the projected date of our final written decision are at or around the same time, however, as they are here, the efficiency and fairness concerns that underlie the *Fintiv* analysis are not as strong, and the decision whether to institute will instead implicate other factors. *See Fintiv*, Paper 11 at 9 (“If the court’s trial date is at or around the same time as the projected statutory deadline, . . . the decision whether to institute will likely implicate other factors discussed herein, such as the resources that have been invested in the parallel proceeding.”).

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

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

3. *Fintiv* Factor 3

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

Patent Owner argues that “the District Court has already made significant investment in the case, including entering scheduling orders, holding a Markman hearing for the asserted patents, entering its rulings on claim construction, hearing argument on discovery disputes between the parties, and issuing an order on fact discovery disputes.” Prelim. Resp. 18; Prelim. Sur-reply 3.

Petitioner states that the parties agreed that no claim terms of the ’064 patent required construction and or were construed by the district court at the Markman hearing. Pet. 8–9 (citing Exs. 1007, 1008; Prelim. Reply 3 (citing Ex. 2004)). Petitioner, thus, argues that the parties and the court did not invest effort of the ’064 patent during the Markman hearing. Pet. 9. Petitioner argues that “months of substantive work—including all depositions, additional fact discovery, expert discovery, and dispositive motion briefing—remain.” Prelim. Reply. 3.

Fintiv states that, “[i]f, at the time of the institution decision, the district court has not issued orders related to the patent at issue in the petition, this fact weighs against exercising discretion to deny institution.” *Fintiv*, Paper 11 at 10. Although some exchanges have taken place in the district court litigation and some of the issues will have been briefed, neither

party asserts that the district court has issued any substantive orders as to validity of the '064 patent. The district court's claim construction order does not address any claim terms of the '064 patent. Ex. 2004. Although some investment has been made in the district court litigation, much work remains to be done.

Petitioner also argues that it exercised diligence in filing the Petition because “the petition was assembled and filed only a handful of months after IGT first served district court infringement contentions.” Prelim. Reply 3–4 (citing *Fintiv*). According to Petitioner, Petitioner “had no pre-suit notice of Patent Owner’s allegations of infringement of the '064 patent” and “Patent Owner did not identify its asserted claims until its June 30, 2021 initial infringement contentions.” Pet. 9. Petitioner argues that it exercised diligence in preparing the Petition just over four months after Patent Owner identified the claim asserted in the district court. *Id.*

Patent Owner argues that “Petitioner cannot argue both that institution is favored because relatively less resources were expended with respect to the '064 patent than the other patents in the District Court proceeding . . . while at the same time arguing the number of patents and claims justifies its delay in filing the instant petition.” Prelim. Resp. 20–21 (citation omitted).

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

Based on the limited investment by the district court relevant to the '064 patent, and in view of Petitioner’s diligence in filing the Petition, we weigh this factor against exercising discretion to deny institution.

4. *Fintiv* Factor 4

Fintiv factor 4 considers whether “the petition includes the same or substantially the same claims, grounds, arguments, and evidence as

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

The grounds asserted in the Petition are a subset of the grounds asserted in the district court litigation. Prelim. Resp. 22 (citing Ex. 2011, 69). Petitioner argues that its stipulation eliminates any overlap in issues. Pet. 10. Petitioner stipulates that “should the Board institute an IPR proceeding on the ’064 patent, Petitioner further stipulates that it will not pursue any instituted grounds as invalidity defenses in the district court.” *Id.*

Patent Owner argues “[b]ecause Petitioner asserts the same references and makes the same arguments in its Petition as it does in the District Court case, and Petitioner at best provides a narrow stipulation that would not promote any meaningful efficiencies, *Fintiv* factor 4 favors discretionary denial of institution.” Prelim. Resp. 25–26.

We determine that Petitioner’s stipulation somewhat mitigates the “concerns of inefficiency and the possibility of conflicting decisions” when grounds overlap. Petitioner’s stipulation is narrow, not a broad stipulation that includes “any ground raised, or that *could have been reasonably raised.*” See *Sotera Wireless, Inc. v. Masimo Corp.*, IPR2020-01019, Paper 12 at 19 (PTAB Dec. 1, 2020) (precedential); see also *Sand Revolution II, LLC v. Cont’l Intermodal Group – Trucking LLC*, IPR2019-01393, Paper 24 at 12 n.5 (PTAB June 16, 2020) (informative) (noting that a broad stipulation better addresses concerns of duplicative efforts and potentially conflicting decisions in a much more substantial way).

Further, the Petition challenges ten additional claims — independent claim 1 and dependent claims 2–8, 14, and 16 that are not at issue in the district court litigation. Pet. 10–11 (citing Ex. 1009, 2).

Patent Owner argues that “the additional claims challenged in the Petition concern the same subject matter and are merely the system versions of the asserted method claims that add nothing material in terms of validity over the prior art.” Prelim. Resp. 23.

Petitioner responds that “more than half [of] the claims challenged in the petition were not asserted” in the district court litigation and “certain of these challenged claims—including at least dependent claims 6, 8 and 14—include limits not present in any” of the claims asserted in the district court litigation. Prelim. Reply 4.

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

5. *Fintiv Factor 5*

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

Petitioner is the defendant in the district court litigation. Pet. 10. We weigh this factor slightly for exercising discretion to deny institution.

6. *Fintiv Factor 6*

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

Petitioner argues that the Petition “has significant substantive merit.” Pet. 11; *see also* Prelim. Reply 5–7. Patent Owner responds that the weakness of the Petition on the merits favor denying institution. Prelim. Resp. 27–28; Prelim. Sur-reply 6–7.

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

Additionally, Patent Owner argues that the Petitioner has created inefficiencies because “Petitioner has filed, on a rolling basis, petitions on only a subset (four of six) of the patents asserted in the District Court proceeding.” Prelim. Resp. 28. Patent Owner, however, does not apprise us of any statute or rule that requires Petitioner to file for *inter partes* review of all patents on which it has been sued for infringement in order to be able to file a petition for *inter partes* review.

We find that factor 6 is neutral.

7. Conclusion

Applying a holistic consideration of the relevant facts and the particular circumstances of this case, we conclude that the facts and factors counseling against exercising discretion collectively outweigh those counseling in favor of exercising discretion.

We do not exercise our discretion to deny institution under 35 U.S.C. § 314(a).

B. Principles of Law

A petition must show how the construed claims are unpatentable under the statutory grounds it identifies. 37 C.F.R. § 42.104(b)(4).

Petitioner bears the burden of demonstrating a reasonable likelihood that it would prevail with respect to at least one challenged claim for a petition to be granted. 35 U.S.C. § 314(a).

A claim is unpatentable under § 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. *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 skill in the art; and (4) when in evidence, objective indicia of non-obviousness (i.e., secondary considerations). *Graham v. John Deere Co.*, 383 U.S. 1, 17–18 (1966).

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

C. Level of Ordinary Skill in the Art

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

A POSITA in the technology field of the '064 patent would have had a bachelor's degree in computer science or a similar discipline and 2 years of professional programming experience in the gaming software industry. This POSITA would be aware of and generally knowledgeable about casino gaming systems as of the priority date for the '064 patent, including the networks connecting various casino gaming machines and the manner in which casino gaming machines

tracked player information and delivered messages to players.
(Ex. 1003, Crane Decl. ¶¶ 35–37).

Pet. 20. Patent Owner does not dispute this level of skill at this stage of the proceeding. *See generally* Prelim. Resp.

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

D. Claim Construction

In an *inter partes* review, claims are construed using the same claim construction standard that would be used to construe the claims in a civil action under 35 U.S.C. § 282(b), including construing the claims in accordance with the ordinary and customary meaning of such claims as understood by one of ordinary skill in the art and the prosecution history pertaining to the patent. 37 C.F.R. § 42.100(b). Thus, we apply the claim construction standard as set forth in *Phillips v. AWH Corp.*, 415 F.3d 1303 (Fed. Cir. 2005) (en banc).

In addition to the specification and prosecution history, we also consider use of the terms in other claims and extrinsic evidence including expert and inventor testimony, dictionaries, and learned treatises, although extrinsic evidence is less significant than the intrinsic record. *Id.* at 1312–17. Usually, the specification is dispositive, and it is the single best guide to the meaning of a disputed term. *Id.* at 1315.

If the specification “reveal[s] a special definition given to a claim term by the patentee that differs from the meaning it would otherwise possess[,] . . . the inventor’s lexicography governs.” *Phillips*, 415 F.3d at 1316 (citing *CCS Fitness, Inc. v. Brunswick Corp.*, 288 F.3d 1359, 1366

(Fed. Cir. 2002)). Any special definition for a claim term must be set forth in the specification with “reasonable clarity, deliberateness, and precision.” *In re Paulsen*, 30 F.3d 1475, 1480 (Fed. Cir. 1994).

Petitioner asserts that “there are no terms in the ’064 patent that require an express construction for purposes of this petition and therefore all terms can be afforded their plain and ordinary meanings.” Pet. 14–15. For certain terms, Petitioner provides further discussion of their plain and ordinary meanings in its analysis. Pet. 15. In particular, Petitioner discusses the term “message.” *Id.* at 32.

Likewise, in its analysis, Patent Owner discusses the term “message” and argues that Petitioner “relies on an interpretation of the term ‘message’ contrary to the patent.” Prelim. Resp. 32; Prelim. Sur-reply 6–7.

Petitioner also indicates that in the district court litigation, the parties agreed that certain terms would be given their plain and ordinary meaning. Pet. 15 (citing Exs. 1007, 1008). We note that the term “message” is not included in the certain terms (Ex. 1007, 7; Ex. 1008, 11) and the district court did not construe any of the terms of the ’064 patent (Ex. 2004).

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

“message”

Independent claim 1 recites “a first message” and “a second, different message.” Ex. 1008, 75:46, 75:50–51. Independent claim 9 similarly recites a first and second message. *Id.* at 76:45–46, 76:55–56.

Petitioner contends that the term “message” has a broad meaning based on its description in the ’064 patent and explains that the ’064 patent states that a message “may refer to *any* communication, in *any* form, intended to be presented to a player or other party.” Pet. 32 (quoting Ex. 1001, 9:33–34 (emphases added in Pet.)); Prelim. Sur-reply 5. Petitioner points out that the ’064 patent discloses that a “message” may be output via text, audio, video, or images. Pet. 32 (citing Ex. 1001, 24:16–18); Prelim. Sur-reply 4. Given these disclosures from the ’064 patent, Petitioner equates the claimed message to a character’s disappearance or death in Aristocrat’s game. Pet. 35.

Patent Owner responds that “Petitioner’s interpretation of ‘message’ to include the gradual disappearance of a character is not supported by the [’064] patent.” Prelim. Resp. 32–33; Prelim. Sur-reply 6–7. Patent Owner asserts that “[t]here is no support” for Petitioner’s interpretation because allegedly “[e]very example in the patent contains at least some words (written or spoken) that are outputted, and that communicate information, to a player.” Prelim. Resp. 32–33 (citing Ex. 1001, 4:8–13).

On this record, we agree with Petitioner that the claim term “message” – of both the “first message” and “second, different message” limitations – are described broadly in the ’064 patent. In a section labeled “A. Terms” the ’064 patent states: “Throughout the description that follows and unless otherwise indicated, the following terms may include and/or encompass the example meanings provided in this section.” Ex. 1001, 5:57–60. With regards to the term “message,” the ’064 patent states that it “may refer to any communication, in any form, intended to be presented to a player or other party” and “[m]essages may be of one or a combination of types.” *Id.* at 9:32–35.

In addition, contrary to Patent Owner’s argument, the ’064 patent discloses that “[m]essages may be output in a variety of different forms, including text, audio, video, and images.” *Id.* at 24:16–18. The ’064 patent includes discussion of representations of messages ((i.e., a method for formatting and outputting a message) that indicate that messages may include visual cues, such as animation, video, or icons. *Id.* at 40:11–42:2; *see also id.* at 41:14 (“Messages may be represented by pictures.”), 41:65–42:2 (“A portion of a game may be modified to indicate a message. . . . [A] message may be output by changing the design of a deck of cards in video poker.”), 44:5–56 (describing that messages outputted in a visual format, such as images, may include “alerts about activity-benefit offers may be animated to bounce up and down”).

On this record, consistent with the disclosure of the ’064 patent, we determine that the claim term “message” encompasses “any communication, in any form, intended to be presented to a player or other party” including presentation in a combination “of different forms, including text, audio, video, and images.”

E. Overview of the Asserted Prior Art

1. Aristocrat

Aristocrat is titled “Player Information Delivery” and published on June 8, 2000. Ex. 1004, codes (43), (54).

Aristocrat describes a gaming machine that displays an animated character to communicate information to the player. *Id.*, code (57). The character is independent of and appears asynchronously with respect to the game being played and is arranged to appear superimposed over any game screen currently displayed at the time the character is displayed. *Id.* Figure

7 of Aristocrat illustrates a gaming machine with a character displayed with a speech bubble and is reproduced below.

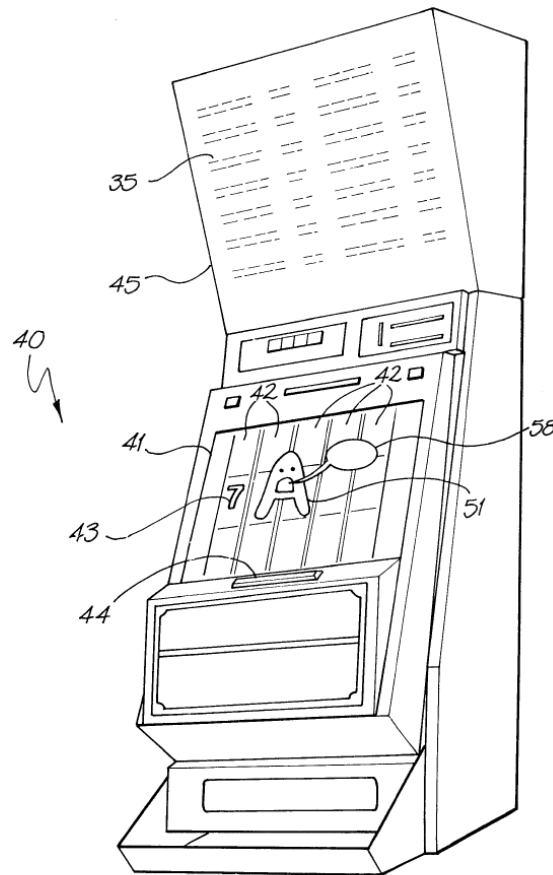


FIG. 7

As shown in Figure 7, slot machine 40 has “a video display screen 41 which displays a plurality of rotatable reels 42 carrying symbols 43” and “is arranged to pay a prize on the occurrence of a predetermined symbol or combination of symbols.” Ex. 1004, 17.⁴ Aristocrat describes a system having “an animated graphic user interface in which an animated character or symbol supplies information through visual and audio mediums.” *Id.* at 18. “The system is implemented as a separate process to the primary game and acts independently of the normal functions of the machine.” *Id.*

⁴ We cite to Petitioner’s labeling of page numbers unless otherwise noted.

2. *Boushy*

Boushy is titled “National Customer Recognition System and Method” and issued June 2, 1998. Ex. 1005, codes (54), (45).

Boushy relates to “a system and method for implementing a customer tracking and recognition program that encompasses customers’ gaming and non-gaming activity alike at all casino properties affiliated with a casino company.” *Id.*, 2:6–10. “Customer information is input to a management system associated with each affiliated casino property, updated to a patron database, and made available to each casino property as needed.” *Id.* at 2:10–13. “On-line access to a customer’s activities at all of its casino properties allows the casino company to implement cross-property incentive programs, manage customer offer programs more effectively, and provide more personalized services to its customers.” *Id.* at 2:56–60. Among other things, *Boushy* discloses a system that includes “a slot monitoring system (SMS) 262” for “[a]utomatic bet tracking at slot machines 130” which is “accomplished through a card reader.” *Id.* at 5:53–58. “A customer inserts his or her identity card in the card reader to initiate bet tracking and removes it to terminate bet tracking.” *Id.* at 5:58–60.

F. Obviousness of Claims 1–18 over Aristocrat or, alternatively, Aristocrat and Boushy

1. Independent Claim 1

Petitioner contends that *Aristocrat* and the knowledge of a POSITA teaches all of the limitations of claim 1. *See* Pet. 22–32. Alternatively, Petitioner additionally relies upon *Boushy* to teach, as required by limitation 1(a) — “identify a player placing at least one wager on at least one play of a game.” *Id.* at 28–29, 64–68. Petitioner states:

To the extent claim element 1(a) is not deemed at least obvious over Aristocrat based on the knowledge of a POSITA, it would have been obvious to a POSITA at the time of the alleged invention to combine the wager gaming system of Aristocrat with the player-identification system of Boushy.

Pet. 29. Petitioner argues that a POSITA would be motivated to make the proposed combination for a number of reasons, including enhancing the gaming experience of players in a gaming system and to increase the utility of player identification and tracking across gaming machines and facilities. *Id.* at 64–68.

At this stage of the proceeding, Patent Owner does not dispute that Aristocrat in view of the knowledge of a POSITA or, alternatively, Aristocrat and Boushy teach most of the limitations of claim 1 or that it would have been obvious to combine Aristocrat and Boushy. Patent Owner does dispute that Aristocrat teaches limitation 1(c).⁵

Limitation 1(c)

Initially, we note that the Petition’s analysis presents multiple ways that Aristocrat meets limitation 1(c). *See, e.g.*, Pet. 32, 34–35. For the purposes of institution, we will focus our analysis on the second way, in which the message trigger condition is the falling of a rate of play below a threshold condition. *Id.* at 34–35. Patent Owner labels this way as the “second trigger condition.” Prelim. Resp. 30, 32–33.

Element 1(c) recites:

if a first set of information associated with the identified player is tracked and a message trigger condition occurs in association with the identified player:

⁵ Patent Owner’s substantive arguments concerning patentability appear in its discussion of factor 6 of its *Fintiv* analysis. Prelim. Resp. 28–33.

- (i) determine, based at least in part on the first set of tracked information, a first message, and
- (ii) output the determined first message to the identified player

Petitioner contends that, in one embodiment, Aristocrat teaches this limitation by “tracking the player’s rate of play and triggering a message if the rate of play falls below a threshold.” Pet. 34–36; *see also* Ex. 1003 ¶¶ 96–97 (corresponding testimony of Mr. Crane). According to Petitioner, Aristocrat discloses that a “character may disappear or cease to function or slow in function if the rate of play slows below a preset threshold, such as 15 games per minute, or 100 credits per minute.” *Id.* at 35 (quoting Ex. 1004, 20:23–26). Petitioner equates the claimed “first message” to “the character’s disappearance or death.” *Id.* at 35 (citing Ex. 1004, 20:24–26, 20:34–21:1).

On this record, we agree with Petitioner. Aristocrat discloses an embodiment where “a character must be kept alive by the activities of the player,” such as if the rate of play slows below a preset threshold, otherwise “the character may disappear or cease to function or slow in function.” Ex. 1004, 20:21–26; *see also id.* at 20:26–21:15 (providing further detail).

Patent Owner argues that a character disappearing, ceasing to function, or slowing in function is not a message because a message must contain at least some words (written or spoken). Prelim. Resp. 32–33; Prelim. Sur-reply 6–7.

On this record, we are not persuaded by Patent Owner’s argument because, as explained above, we do not interpret the claim term “message” to require at least some words. We determine that “message” more broadly includes any communication, in any form, intended to be presented to a

player or other party including presentation in a combination of different forms, including text, audio, video, and images.

a) Conclusion for Independent Claim 1

On the record presently before us, we determine that Petitioner's evidence and analysis shows a reasonable likelihood that independent claim 1 is unpatentable over Aristocrat.

Additionally, on this record and absent any additional arguments from Patent Owner, we determine that Petitioner's evidence and analysis show a reasonable likelihood that independent claim 1 is unpatentable over the combination of Aristocrat and Boushy.

2. Dependent Claims 2–8

Petitioner contends that dependent claims 2–8 are unpatentable over Aristocrat and, alternatively, the combination of Aristocrat and Boushy. Pet. 41–52. Petitioner relies upon Aristocrat to teach the additional limitations of claims 2–8. *Id.* At this stage of the proceeding, Patent Owner does not dispute that Aristocrat teaches these additional limitations. *See generally* Prelim. Resp. On this record and absent any additional arguments from Patent Owner, we determine that Petitioner's evidence and analysis show a reasonable likelihood that dependent claims 2–8 are unpatentable over Aristocrat and the combination of Aristocrat and Boushy.

3. Independent claim 9 and dependent claims 10–18

Independent claim 9 recites a method that corresponds to the system of independent claim 1. *See* Ex. 1001, 75:29–57, 76:32–58; Pet. 52 (“claim 9 is a method claim that includes limitations that are nearly identical to the limitations of system claim 1); Ex. 1003 ¶ 139. Petitioner cites to its analysis for claim 1 to show that claim 9 is unpatentable. *See* Pet. 52–55.

Likewise, for dependent claims 10–16, Petitioner relies on essentially the same analysis as for claims 2–8 discussed above. *Id.* at 54–57. For dependent claims 17 and 18, Petitioner relies upon Aristocrat to teach the additional limitations. *Id.* at 58, 60.

Patent Owner’s arguments for independent claim 9 are the same as for independent claim 1 discussed above. *See* Prelim. Resp. 28–30. At this stage of the proceeding, Patent Owner does not dispute that Aristocrat teaches the additional limitations of dependent claims 10–18. *See generally* Prelim. Resp.

Our discussion of Patent Owner’s arguments for claim 1 also applies to claim 9. On this record and absent any additional arguments from Patent Owner, we determine that Petitioner’s evidence and analysis show a reasonable likelihood that claims 1–18 are unpatentable over Aristocrat and the combination of Aristocrat and Boushy.

III. CONCLUSION

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

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

IV. ORDER

In consideration of the foregoing, it is hereby:

ORDERED that, pursuant to 35 U.S.C. § 314(a), an *inter partes* review of claims 1–18 of U.S. Patent No. 8,795,064 B2 is instituted with respect to all grounds set forth in the Petition; and

FURTHER ORDERED that, pursuant to 35 U.S.C. § 314(c) and 37 C.F.R. § 42.4(b), *inter partes* review of U.S. Patent No. 8,795,064 B2 shall commence on the entry date of this Order, and notice is hereby given of the institution of a trial.

IPR2022-00200
Patent 8,795,064 B2

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